OFFICE OF MINERALS EXPLORATION

REGION III

Statement in Lieu of Interim Report
of Certified Project

Reporting Period : January 1, 1959 through March 7, 1960

Docket and Contract Number : DMEA-654, E58 (Cb, Ta, W, Sn)

Operator Northwest Defense Minerals, Inc.
Lawrence County, South Dakota

The project has been inactive during the reporting period [x]

Pertinent data relative to the subject contract has remained unchanged since the last report [x]

Remarks:

Peggy Keenan stated as noted above.

Signed H. M. Connors
H. M. CONNORS

Date March 7, 1960

FINAL DISTRIBUTION

MADE NOV 1 0 1958

OFFICIAL FILE COPY O. M. E. RECEIVED NOV 13 1958		
DATE	INITIALS	CODE
11/13	C	220
"	[illegible]	110
"	[illegible]	700

224 New Customhouse
Denver 2, Colorado
November 5, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, GMH Field Team, Region III

Subject: Docket No. MMA 654X (Tin, Columbium-Tantalum, Tungsten) Northwest Refrance Minerals, Inc., (Rawlins Mining District) Lawrence County, South Dakota

Enclosed for purpose of clarification are the original and four copies of Forms MP-104 and MP-104A, which have been prepared to reflect the costs of processing and analyzing 36 churn drill samples, and analyzing test pit concentrates from 3 test pits. Also enclosed are four copies each of three bids from qualified independent laboratories, and a Statement and Certificate of Award to the lowest bidder, Denver Equipment Company. The original of the above supporting data, and the original invoice from Denver Equipment Company have been submitted separately to the Finance Office, Region III.

The obligation was incurred in accordance with items 2 through 6 of the Termination Agreement, dated August 15, 1958, which provides for processing and analyzing the samples, and payment of the necessary costs from any funds allotted to the project which have not been expended. Payment is to be made directly to Denver Equipment Company for the full amount of $5288.48, which reflects a discount of one percent for payment within 10 days from the invoice date. Of this amount, 90 percent is to be charged as Government contribution, and the remaining 10 percent held in suspense as a reimbursable item from the Operator, to be deducted from moneys due the Operator, presently held in suspense, on final settlement of the account.

Following is a recapitulation of the status of project costs to date, with exception of costs incurred for transportation, processing, and analysis of samples.

Acceptable cost to date, Phase I----------$19,000.00
Acceptable cost to date, Phase II---------- 7,837.10
Total acceptable cost, excepting transportation, processing and analysis of samples----------$26,837.10

Government participation at 90 percent	$24,153.39	
Total reimbursement to Operator to date	23,267.59	
Balance withheld pending final settlement		$ 885.70

The above amount withheld is reconciled, as follows:

Government's portion of unacceptable cost for 6½ feet of test pit sinking previously disallowed, but which is now acceptable	140.62	
Amount withheld in processing voucher for November 1955, and April 1956	100.00	
Amount withheld in processing voucher for October 4, through November 3, 1958	645.08	
Total Amount Withheld		$ 885.70

The amount withheld will be offset by 10 percent of the cost of transportation, processing, and analysis of samples, as follows:

Transportation of samples from project site to Denver Federal Center, payment made to Buckingham Transportation, Inc.,	537.24	
Transportation of samples from Denver Federal Center to Denver Equipment Company, payment made to Baking Van and Storage Company	42.50	
Processing and analyzing 36 churn drill samples, and analyzing 3 samples of concentrated material from test pits, payment to be made to Denver Equipment Company	5,298.48	
Total	5,878.22	
Operator's pro rata share at 10 percent		587.82
Excess withheld above incurred expenses		$ 297.88

Project costs may be augmented by additional allowable costs incurred by the Operator in conjunction with preparation of the required final report. Final settlement will be deferred pending receipt of the Operator's final report, and release to this office of a Certificate and Report of Audit, or Report of Review of reported project costs by the Contract Administration and Audit Division, OME.

Original signed by
J. W. TOWNSEND

JDC:bmh

J. W. Townsend

Enclosures
cc: Shmn. Op. Comm. (2)
Marshall, OME/DFC
MP-104 file, Reg. III
Marshman
Cooper
Chron

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Processing and Analysis of Samples

~~Month of~~ ~~xx 195xxx~~ Docket No. DMEA 654X Contract No. Idm-E58

Operator's Name Northwest Defense Minerals, Inc., Minerals Tin, Columbium-Tantalum, Tungsten

Address Belmont Plaza, Room 1011, Lexington Ave., at 49th New York 22, N. Y.

Contract Amount, $ Government Participation: 90 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	0.00	1742.50	1742.50			
Bulldozing						
Crosscutting						
Drifting						
Test Pits	0.00	787.50	787.50			
(2) Labor and Supervision:						
Labor						
Supervision	0.00	2525.00	2525.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil	0.00	208.85	208.85			
Travel Expenses	0.00	308.92	308.92			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	1125.63	338.00	1463.63			
Payroll Taxes						
Liability Insurance						
Processing Churn drill samples	4172.85	0.00	4172.85			
(8) Contingencies (specify):						
Trans. of Samples	0.00	579.74	579.74			
Other	0.00	1141.35	1141.35			
TOTALS	5298.48	8416.84	13,715.32	5298.48	8416.84	13715.32

I certify that the above bill is correct and just and that payment therefor has not been received.

~~Date~~ ~~Payee~~

~~By~~ ~~Title~~

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$5298.49

Signature
(Authorized Certifying Officer)

Date 11/5/58 Vou. No. DMEA 59-59

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF–104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF–104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF–104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF–104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF–200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF–200; and delete word "Independent" if the contract reported is on Form MF–200 (A). Also, report work paid for on a unit basis under contract Form MF–200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF–104 when submitted for reimbursable expenses incurred under contract Form MF–200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF–200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF–104 is required to be documented. The four copies of Form MF–104 are not to be thus supported.

Form MF–104 submitted for reimbursement under fixed price contracts on Form MF–200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF–104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Processing and Analysis of Samples

~~Month of~~ ~~195xxx~~ Docket No. DMEA 654x Contract No. Idm-58

Operator's Name Northwest Defense Minerals, Inc. Minerals ~~Tin,~~ Columbium-Tantalum, Tungsten

Address Belmont Plaza, Room 1011, Lexington Ave., at 49th St., New York 22, New York

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
~~Drilling~~ Churn Drill.	ft.			1742.50	348.5	5.00		
~~Crosscutting~~ Test Pits	ft.			787.50	31.5	25.00		
~~Bulldozer~~ Supervision	Day			2525.00	37	50.00		
~~Shaft~~ Travel Exp.				308.92				
~~Mining~~ Meals & Qtrs.				784.98	231	3.52		
~~Drilling~~ Gas - Oil				208.85				
~~Chem~~ Analyses	Spl.	1125.63*	39	1463.63	45	32.53		
Trans ~~Ass~~ of Spls.				579.74				
~~Sampling~~ Processing Chum								
~~Trenching~~ Drill Spls.		4172.85*	36	4172.85	36	115.91		
~~Test Pits~~ Contingencies				1141.35				
~~Roads and Trails~~								
Total Distributed Costs		5298.48*		13,715.32				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		5298.48*		13,715.32				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

PREPARED AS MATTER OF CLARIFICATION

~~Date~~ ~~Operator~~

~~By~~ ~~Title~~

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Remarks: *Includes deduction of one percent discount for payment within 10 days. Payment is to be made directly to Denver Equipment Company for full amount of $5298.48. Of the amount, 90 percent is to be charged as Government contribution, and the remaining 10 percent held in suspense as a reimbursable item from the Operator, to be deducted from moneys presently held in suspense on final settlement of the account.

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

Standard Form No. 1036—Revised
Form prescribed by
Comptroller General, U. S.
September 18, 1950
(Gen. Reg. No. 51, Supp. No. 12)

STATEMENT AND CERTIFICATE OF AWARD

No. 14-09-030-578
(Contract)

Date August 28, 1958

Department of Interior (Department or establishment) | Bureau of Mines (Bureau or office) | 224 New Customhouse, Denver, Colorado (Location)

FOR USE BY G. A. O. ONLY			
Indexed	Card	Reviewed	Date
	14-09-030		

578

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. By advertising in newspapers. Yes ☐ No ☒
2. (*a*) By advertising in circular letters sent to 4 dealers.
   (*b*) And by notices posted in public places. Yes ☒ No ☐

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

Without advertising in accordance with _____

(Cite law pursuant to which contract was negotiated and the applicable section and paragraph thereof. If contract was negotiated under a public exigency which would not admit of the delay incident to advertising, or because of it being impracticable to secure competition, state below or on the reverse hereof, the circumstances requiring negotiation.)

AWARD OF CONTRACT

	Yes	No
A. To lowest bidder as to price (Expenditures)	☒	☐
B. To highest bidder as to price (Receipts)	☐	☐

INITIATING OFFICE

CERTIFICATE

I CERTIFY that the foregoing statement is true and correct; that the written findings required by law to be submitted with the contract in case of negotiation, upon a determination by the agency head or other authorized official that such method of contracting is necessary, are attached thereto; that the total number of bids received is 4, and that where lower bids (expenditure contracts) or higher bids (receipt contracts) as to price were received, a statement of reasons for their rejection, together with an abstract of bids received, including all lower than that accepted in case of expenditure contracts and all higher in case of receipt contracts, is given below or on the reverse hereof or on a separate sheet attached hereto; that the articles or services covered by the agreement (expenditure) are necessary for the public service; and that the prices charged are just and reasonable.

Bidders	Item 1	Item 2	Item 3	Total	Terms
Denver Equipment Company	4215.00	1051.00	86.00	5352.00	1% 10 da
Humphreys Engineering Company	6490.00	874.00	104.50	7468.50	Net
Colorado School of Mines	10000.00	4600.00	400.00	15000.00	Net
Stearns-Rogers		NO BID			

Successful Bidder: Denver Equipment Company
1400 17th Street
Denver 17, Colorado

FOB Point, Bldg. 20, Denver Federal Center, Denver, Colorado
Government to defray transportation charges.

R. E. Babcock
R. E. Babcock

Regional Property Management Officer
(Title)

NOTE.—This statement and certificate will be used to support all agreements, both formal contracts and less formal agreements of whatever character, involving the expenditure or receipt of public funds. It must be executed and signed by the contracting officer (unless the award is made by or is subject to approval by an officer other than the contracting officer, when execution and signature may be made by such officer).

U. S. GOVERNMENT PRINTING OFFICE 16—62733-1

Standard Form 33 (Oct. 1957 Edition)
Prescribed by General Services Administration
Regulation 1-II-209.00

INVITATION, BID, AND AWARD
(SUPPLY CONTRACT)

CONTRACT NO. 14-09-030-578 (14-09-030-31)
ORDER NO. (If any) DER-59-61
PAGE NO. | NUMBER OF PAGES

ISSUED BY
Department of the Interior
Bureau of Mines, Region III

ADDRESS
224 New Customhouse
Denver, Colorado

578

INVITATION FOR BIDS

DATE ISSUED August 15, 1958 | INVITATION NO. DER-59-5

Sealed bids in quintuplicate, subject to (1) the Terms and Conditions of the Invitation for Bids, (2) the accompanying Schedule, (3) General Provisions (Standard Form 32, October 1957 edition), which are incorporated herein by reference, and (4) such other contract provisions and specifications as are attached or incorporated by reference in the Schedule, will be received at the above office until 2:00 o'clock p.m., MST Time, August 27, 1958 (*date*) and at that time publicly opened, for furnishing the supplies or services described in the accompanying Schedule, for delivery f. o. b. DMEA, Executive Officer, 224 New Customhouse, Denver 2, Colorado

General information and instructions to bidders are contained in the terms and conditions on the reverse hereof.

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	QUANTITY (No. of units)	UNIT	UNIT PRICE	AMOUNT
1	Concentration of 36 samples				
2	Analysis of 36 concentrate samples				
3	Analysis of 3 concentrate samples				
	For details see "Continuation Sheet" and "Specifications" attached. Attached special terms and conditions of the invitation for bids are hereby made part of the contract.				

BID

DATE OF BID August 25, 1958

In compliance with the above, the undersigned offers and agrees, if this Bid be accepted within 60 calendar days (*60 calendar days unless a different period be inserted by the bidder*) from the date of opening, to furnish any or all of the items upon which prices are quoted, at the price set opposite each item, delivered at the designated point(s) within the time specified in the Schedule. Discounts will be allowed for prompt payment as follows:
one percent, 10 calendar days; 0 percent, 20 calendar days; 0 percent, 30 calendar days.

BIDDER REPRESENTS: (*Check appropriate boxes*)

(1) That he ☒ is, ☐ is not, a small business concern. (*See definition on reverse hereof.*) If bidder is a small business concern and is not the manufacturer of the supplies bid upon, he also represents that all supplies to be furnished hereunder ☒ will, ☐ will not, be manufactured or produced by a small business concern in the United States, its Territories, its possessions, or the Commonwealth of Puerto Rico.

(2) That he is a ☐ regular dealer in, ☒ manufacturer of, the supplies bid upon.

(3) (*a*) That he ☐ has, ☒ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure this contract, and (b) that he ☐ has, ☒ has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (*a*) and (*b*) above as requested by the Contracting Officer.
(*For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 44, Part 150.*)

(4) He operates as an ☐ individual, ☐ partnership, ☒ corporation, incorporated in the State of Colorado

NAME AND ADDRESS OF BIDDER (*Street, city, zone, and State. Type or print*)
Denver Equipment Company
1400 17th Street
Denver 17, Colorado

SIGNATURE OF PERSON AUTHORIZED TO SIGN BID
→ C A Richardson

TYPE OR PRINT SIGNER'S NAME AND TITLE
C. A. Richardson
Domestic Sales Division

AWARD

DATE OF AWARD August 28, 1958

ACCEPTED AS TO ITEMS NUMBERED 1, 2 & 3

AMOUNT $ 5352.00

UNITED STATES OF AMERICA
BY R R Baker
Contracting Officer.

SUBMIT INVOICE FOR PAYMENT TO
Bureau of Mines
224 New Customhouse
Denver, Colorado

ACCOUNTING AND APPROPRIATION DATA
14X4401(09)

PAYMENT WILL BE MADE BY
Government Check

Award will be made on this Form, or on Standard Form 26, or by other official written notice.

16—60682-4

TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

1. PREPARATION OF BIDS.—(*a*) Bidders are expected to examine the drawings, specifications, Schedule, and all instructions. Failure to do so will be at the bidder's risk.

(*b*) Each bidder shall furnish the information required by the bid form. The bidder shall print or type his name on the Schedule and each Continuation Sheet thereof on which he makes an entry. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent must be accompanied by evidence of his authority.

(*c*) Unit price for each unit bid on shall be shown and such price shall include packing unless otherwise specified. A total shall be entered in the Amount column of the Schedule for each item bid on. In case of error in extension of price, the unit price will govern.

(*d*) Alternate bids will not be considered unless authorized by the Invitation.

(*e*) When not otherwise specified, bidder must definitely state time of proposed delivery.

(*f*) Time, if stated as a number of days, will include Sundays and holidays.

2. SUBMISSION OF BIDS.—(*a*) Bids and modifications thereof shall be enclosed in sealed envelopes addressed to the issuing office, with the name and address of the bidder, the date and hour of opening, and the invitation number on the face of the envelope. Telegraphic bids will not be considered unless authorized by the Invitation; however, bids may be modified by telegraphic notice provided such notice is received prior to the time set for the opening of the bids.

(*b*) Samples of items, when required, must be submitted within the time specified, and unless otherwise specified by the Government, at no expense to the Government. If not destroyed by testing, samples will be returned at bidder's request and expense, unless otherwise specified by the Invitation.

(*c*) In the event no bid is to be submitted, do not return the Invitation unless otherwise specified. However, a letter or post card should be sent to the issuing office advising whether future Invitations for the type of supplies or services covered by this Invitation are desired.

3. WITHDRAWAL OF BIDS.—Bids may be withdrawn by written or telegraphic notice (see 4 below).

4. LATE BIDS.—Bids and modifications or withdrawals thereof received after the time set for opening will not be considered, unless they are received before the award is made, and it is determined by the Government that failure to arrive on time was due solely to delay in the mails for which the bidder was not responsible.

5. GOVERNMENT-FURNISHED PROPERTY.—No material, labor, or facilities will be furnished by the Government unless otherwise provided for in the Invitation.

6. LABOR INFORMATION.—Attention is invited to the possibility that wage determinations may have been made under the Walsh-Healey Public Contracts Act providing minimum wages for employees engaged in the manufacture for sale to the Government of the supplies covered by this Invitation for Bids. Information in this connection, as well as general information as to the requirements of the Act concerning overtime payment, child labor, safety and health provisions, etc., may be obtained from the Wage and Hour and Public Contracts Divisions, Department of Labor, Washington 25, D. C. Requests for information should state the Invitation number, the issuing agency and the supplies covered.

7. DISCOUNTS.—(*a*) Prompt-payment discounts will be included in the evaluation of bids, provided the period of the offered discount is sufficient to permit payment within such period in the regular course of business under the delivery, inspection, and payment provisions of the Invitation and Bid.

(*b*) In connection with any discount offered, time will be computed from date of delivery of the supplies to carrier when delivery and acceptance are at point of origin, or from date of delivery at destination or port of embarkation when delivery and acceptance are at either of those points, or from date correct invoice or voucher is received in the office specified by the Government if the latter date is later than the date of delivery. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing of the Government check.

8. AWARD OF CONTRACT.—(*a*) The contract will be awarded to that responsible bidder whose bid, conforming to the Invitation for Bids, will be most advantageous to the Government, price and other factors considered.

(*b*) The Government reserves the right to reject any or all bids and to waive informalities and minor irregularities in bids received.

(*c*) The Government may accept any item or group of items of any bid, unless the bidder qualifies his bid by specific limitations. UNLESS OTHERWISE PROVIDED IN THE SCHEDULE, BIDS MAY BE SUBMITTED FOR ANY QUANTITIES LESS THAN THOSE SPECIFIED; AND THE GOVERNMENT RESERVES THE RIGHT TO MAKE AN AWARD ON ANY ITEM FOR A QUANTITY LESS THAN THE QUANTITY BID UPON AT THE UNIT PRICES OFFERED UNLESS THE BIDDER SPECIFIES OTHERWISE IN HIS BID.

(*d*) A written award mailed (or otherwise furnished) to the successful bidder within the time for acceptance specified in the bid shall be deemed to result in a binding contract without further action by either party.

9. SELLER'S INVOICES.—Invoices shall be prepared and submitted in quadruplicate unless otherwise specified. Invoices shall contain the following information: Contract and order number (if any), item numbers, description of supplies or services, sizes, quantities, unit prices, and extended totals. Bill of lading number and weight of shipment will be shown for shipments made on Government bills of lading.

10. DEFINITION OF SMALL BUSINESS.—Generally, a small business concern for the purpose of Government procurement is a concern that (1) is not dominant in its field of operation and, with its affiliates, employs fewer than 500 employees, or (2) is certified as a small business concern by Small Business Administration. (*See Code of Federal Regulations, Title 13, Part 103, as amended, which contains the detailed definition and related procedures.*)

* U. S. GOVERNMENT PRINTING OFFICE : 1957 O—448020

DENVER EQUIPMENT COMPANY

ADDENDA NO. 1 TO

INVITATION TO BID NER-59-5

ON PAGE 2 OF THE SPECIFICATIONS READING AS FOLLOWS:

Area	Pit Number	Sample Interval	Cubic Yards
Beaver Creek	1	0 - 16-1/4 Ft.	12.975
Bear Creek	1	0 - 6-1/4 Ft.	3.390
*Bear Creek	1	0 - 7 Ft.	4.309.

*Line number 3, Bear Creek, pit number 1, should read pit number 2. Sample interval and cubic yard figures remain the same. Please correct your copy of the Invitation to Bid in accordance with this addenda.

DENVER EQUIPMENT COMPA

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CONTINUATION SHEET

Bids will be considered under the following schedule. NO BID will be considered for only part of the schedule.

Item No.	Supplies or Services	Unit	Unit Price
1	Concentration of 36 samples of churn drill hole material	Job	$4215.00
2	(a) Analyze 1/4 split of concentrate from each of above 36 samples for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report of the processing, including results of the analyses	Job	$1051.00
3	(a) Analyze 3 samples of previously concentrated material from test pits for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report giving results of the analyses	Job	$ 86.00
		TOTAL	$5352.00

Specifications pertaining to the foregoing items 1, 2, and 3 are attached hereto and made a part of this Invitation to Bid.

SPECIFICATIONS

Item 1. - The sample material to be concentrated is from 18 churn drill holes, drilled through placer deposits in the Beaver Creek and Bear Creek Areas. The material, aggregating approximately 2-1/2 cubic yards, is in metal containers and each container is labeled with the Area, drill hole number, and sample interval. Many of the metal containers are not full and some contain considerable water. It will be necessary that the net volume of each sample be determined in advance of processing, as assay results are to be computed on the basis of cubic yard of material. See Exhibit "A", Schedule of Churn Drill Hole Samples, attached hereto, for listing of samples to be concentrated; and see Exhibit "B", Flow Sheet for Concentrating Churn Drill Hole Sample Material, attached hereto, for method of concentrating the samples.

Referring to Exhibit "A", Beaver Creek Area, the material from sample intervals 0-6 feet and 6-12 feet will be combined into a composite sample for concentration purpose. The material from the sample interval from 12 feet to bottom of hole will be concentrated as a separate sample. In the Bear Creek Area, sample material for separate concentration will be for the intervals of 0-6 feet and 6-12 feet.

Item 2. - The concentrates from each of the 36 samples, concentrated under Item 1, will be split into two equal portions; one portion of which is to be placed in a suitable container and reserved for subsequent use by the Government, each container to be properly labeled with the words, "Government," and the "Area," "Hole Number," and "Sample Interval" given. The other half of each concentrate split will be resplit two ways; one half will be placed in a suitable covered container labeled with the words, "Operator," and the "Area," "Hole Number," and "Sample Interval" given. The remaining one-fourth of the concentrates is to be used for analysis to obtain content of tin, columbium-tantalum, tungsten, and gold.

The report of the concentration and analyses must be submitted in triplicate and shall contain, in tabular form, the following information for each sample: Area, hole number, sample interval, volume of sample before concentration, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

Item 3. - The samples of concentrates to be analyzed are a one-half split of that derived from the beneficiation of placer gravel obtained from test pits. The samples are in canvas bags and are

labeled as follows, with applicable yardage of the original sample from which the concentrates were derived:

Area	Pit Number	Sample Interval	Cubic Yards
Beaver Creek	1	0 - 16-1/4 Ft.	12.975
Bear Creek	1	0 - 6-1/4 Ft.	3.390
Bear Creek	2	0 - 7 Ft.	4.309.

The report of the results of analyses must be submitted in triplicate and shall contain in tabular form the following information for each sample: Area, pit number, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

General -

1. The project as heretofore outlined shall be identified as Docket No. DMEA 654, Contract No. Idm-E58. The report of analysis results shall be addressed to the Executive Officer, DMEA Field Team, Region III, Defense Minerals Exploration Administration, 224 New Customhouse, Denver 2, Colorado.

2. The work outlined under items 1, 2, and 3 above shall be completed so that the required report, in triplicate, will be forwarded, together with the "Government's" and "Operator's" splits of concentrates, so as to reach the above destination within ninety (90) calendar days from the date the confirming purchase order and the sample material were received by the successful bidder.

3. The material under items 1 and 3 is available for prebid inspection at the Denver Federal Center, and inspection can be arranged through John F. Shaw, Bureau of Mines, Building 20, Denver Federal Center, during the hours of 8:30 a.m. to 4:00 p.m. Monday through Friday.

4.* Bidder will designate location of its laboratory to which the material will be delivered by the Government. Costs of transporting the material from the Denver Federal Center to the bidder's laboratory will be considered in making the award.

*The material will be delivered to the successful bidder as soon as possible after award has been made.

Exhibit "A"

Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
1	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
2	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	4	12-19	12-19
3	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
4	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-19	12-19
5	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
6	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
7	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
8	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-17	12-17

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Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-17	12-17

BEAR CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
1	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	15 gal. drum	2	6-12	6-12
2	55 gal. drum	1	0-6	
	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	40 gal. drum	1	6-12	6-12
3	15 gal. drum	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
4	15 gal. drum	1	0-6	0-6
	35 lb. can	2	6-12	6-12
5	35 lb. can	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
6	55 gal. drum	1	0-6	0-6
	40 gal. drum	1	6-12	6-12
7	15 gal. drum	2	0-6	0-6
	15 gal. drum	1	6-12	
	50 lb. can	1	6-12	6-12
8	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

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BEAR CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

EXHIBIT "B"

FLOW SHEET FOR CONCENTRATING CHURN DRILL HOLE SAMPLE MATERIAL

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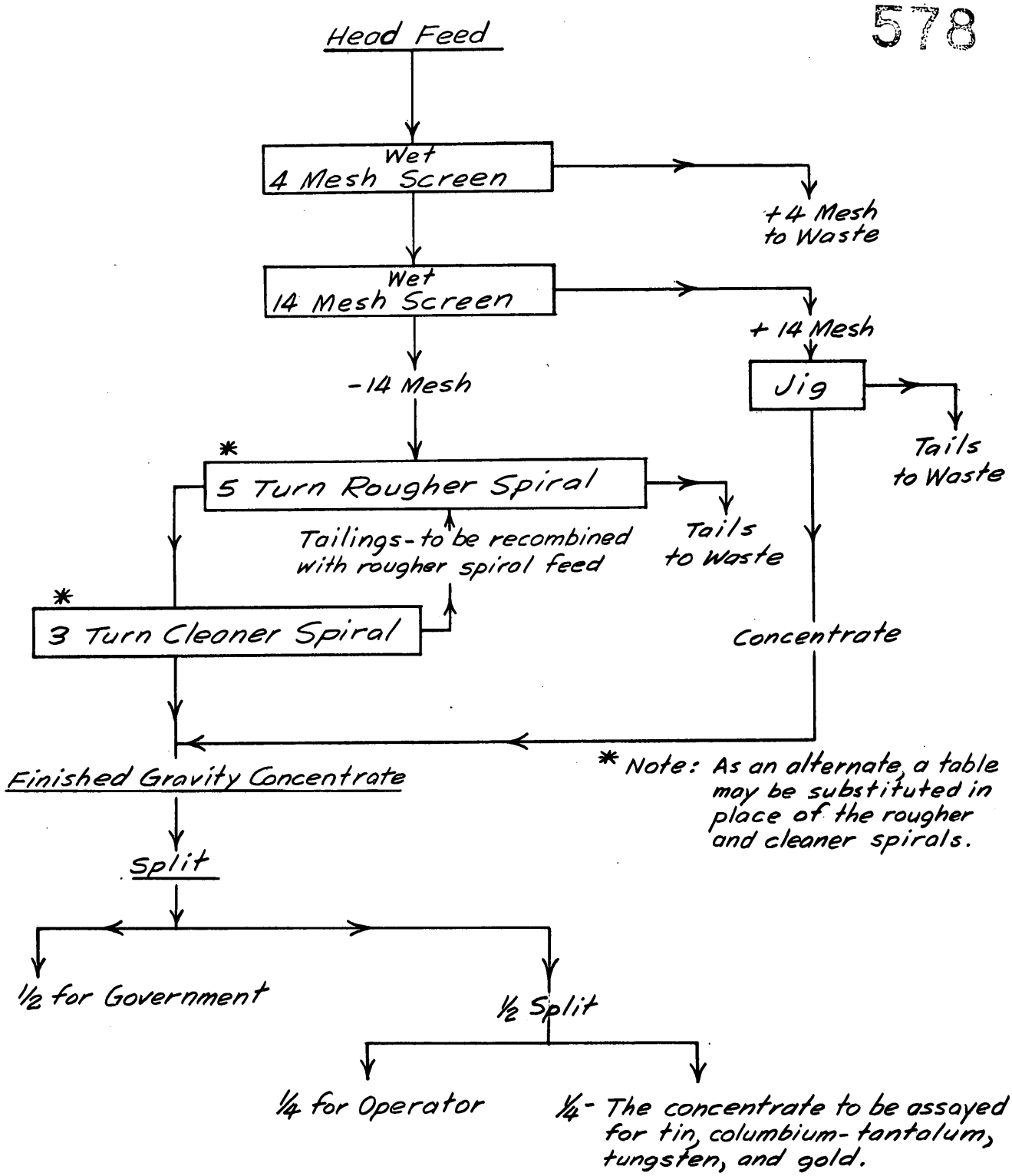

Standard Form 32, Oct. 1957 Edition
Prescribed by General Services
Administration Regulation I-II-209.00

14-09-030

GENERAL PROVISIONS

(Supply Contract)

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1. DEFINITIONS

As used throughout this contract, the following terms shall have the meanings set forth below:

(*a*) The term "Secretary" means the Secretary, the Under Secretary, or any Assistant Secretary of the Department, and the head or any assistant head of the Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the Secretary.

(*b*) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.

(*c*) Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.

2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change: *Provided, however,* That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefor have been authorized in writing by the Contracting Officer.

4. VARIATION IN QUANTITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

5. INSPECTION

(*a*) All supplies (which term throughout this clause includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to acceptance.

(*b*) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*c*) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: *Provided,* That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

(*d*) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this

contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(*e*) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

6. Responsibility for Supplies

Except as otherwise provided in this contract, (i) the Contractor shall be responsible for the supplies covered by this contract until they are delivered at the designated delivery point, regardless of the point of inspection; (ii) after delivery to the Government at the designated point and prior to acceptance by the Government or rejection and giving notice thereof by the Government, the Government shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction, or damage results from the negligence of officers, agents, or employees of the Government acting within the scope of their employment; and (iii) the Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Government shall be responsible for the loss, or destruction of, or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of the Government acting within the scope of their employment.

7. Payments

The Contractor shall be paid, upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either $1,000 or 50 percent of the total amount of this contract.

8. Assignment of Claims

(*a*) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. Code 203, 41 U. S. Code 15), if this contract provides for payments aggregating $1,000 or more, claims for monies due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Notwithstanding any provisions of this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off. (*The preceding sentence applies only if this contract is with the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President pursuant to clause 4 of the proviso of section 1 of the Assignment of Claims Act of 1940, as amended by the Act of May 15, 1951, 65 Stat. 41.*)

(*b*) In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret," "Secret," or "Confidential," be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same: *Provided,* That a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

9. Additional Bond Security

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Government, or if any such surety fails to furnish reports as to his financial condition from time to time as requested by the Government, the Contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by this contract.

10. Examination of Records

(The following clause is applicable if the amount of this contract exceeds $1,000 and was entered into by means of negotiation, but is not applicable if this contract was entered into by means of formal advertising.)

(*a*) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(*b*) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding $1,000 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

11. Default

(*a*) The Government may, subject to the provisions of paragraph (*c*) below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances:

(i) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) if the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(*b*) In the event the Government terminates this contract in whole or in part as provided in paragraph (*a*) of this clause, the Government may procure, upon such terms and in such manner as the Contracting Officer may deem

appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Government for any excess costs for such similar supplies or services: *Provided,* That the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.

(*c*) Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(*d*) If this contract is terminated as provided in paragraph (*a*) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*e*) If, after notice of termination of this contract under the provisions of paragraph (*a*) of this clause, it is determined that the failure to perform this contract is due to causes beyond the control and without the fault or negligence of the Contractor or subcontractor pursuant to the provisions of paragraph (*c*) of this clause, such notice of default shall be deemed to have been issued pursuant to the clause of this contract entitled "Termination for Convenience of the Government," and the rights and obligations of the parties hereto shall in such event be governed by such clause. (*Except as otherwise provided in this contract, this paragraph (e) applies only if this contract contains such clause.*)

(*f*) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

12. Disputes

(*a*) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(*b*) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (*a*) above: *Provided,* That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

13. Notice and Assistance Regarding Patent Infringement

The provisions of this clause shall be applicable only if the amount of this contract exceeds $5,000.

(*a*) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent infringement based on the performance of this contract of which the Contractor has knowledge.

(*b*) In the event of litigation against the Government on account of any claim of patent infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or service performed hereunder, the Contractor shall furnish to the Government, upon request, all evidence and information in possession of the Contractor pertaining to such litigation. Such evidence and information shall be furnished at the expense of the Government except in those cases in which the Contractor has agreed to indemnify the Government against the claim being asserted.

14. Buy American Act

(*a*) In acquiring end products, the Buy American Act (41 U. S. Code 10 a–d) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) a "domestic source end product" means (A) an unmanufactured end product which has been mined or

produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (*a*) (iii) (B), components of foreign origin of the same type or kind as the products referred to in (*b*) (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(*b*) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(i) which are for use outside the United States;

(ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or

(iv) as to which the Secretary determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.)

15. Convict Labor

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor.

16. Eight-Hour Law of 1912—Overtime Compensation

This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324–326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35–45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

17. Walsh-Healey Public Contracts Act

If this contract is for the manufacture or furnishing of materials, supplies, articles, or equipment in an amount which exceeds or may exceed $10,000 and is otherwise subject to the Walsh-Healey Public Contracts Act, as amended (41 U. S. Code 35–45), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

18. Nondiscrimination in Employment

(*a*) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.

(*b*) The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

19. Officials Not To Benefit

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

20. Covenant Against Contingent Fees

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

21. Utilization of Small Business Concerns

(*a*) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(*b*) The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

☆ U. S. GOVERNMENT PRINTING OFFICE : 1957 O - 442852

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SPECIAL TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

Article 11. Standard Form 32, General Provisions (Supply Contract) prescribed by the General Services Administration, October 1957 edition, is incorporated herein by reference and made a part hereof and receipt of the form is hereby acknowledged. (A copy of Standard Form 32 is obtainable upon request.)

Article 12. Patents. The Contractor shall hold and save the Government, its officers, agents, servants, and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, article, process, appliance or apparatus manufactured or used by the Contractor in performance of this contract, including its subsequent use or disposal by or for the Government. Any patented invention, the use of which by this contract is required or permitted in the alternative to be used and which the United States has the right to use royalty free, shall be available to the Contractor without the payment of the royalty.

Article 13. Delivery. Time of delivery is important, and complete delivery at the specified destination is desired within the number of calendar days after date of receipt by the contractor of notice of award of contract as indicated on the face of Standard Form 33.

Bidders are required to state, in the space provided on the face of Standard Form 33, a definite period of time within which shipment will be made, and the time so stated, if in excess of the time desired, may be considered in making award of contract. If the bidder fails to insert the number of days in which shipment will be made, the bid will be considered upon the basis that shipment will be made within the desired period, and the bidder agrees to accept award on that basis.

Article 14. Comparison of bids. Whenever applicable, equalizing elements or factors not specifically mentioned or provided for herein, such as the cost of transportation, of installation, of inspection (including salaries, travel, and subsistence expenses), or of any other element or factor in addition to that of price which would affect the final cost to the Government, may be taken into consideration in making award of contract.

Article 15. Protests. If the contractor considers any work demanded of him to be outside of the requirements of the contract, or considers any record or ruling of the contracting officer or of the inspectors to be unfair, he shall immediately upon such work being demanded or such record or ruling being made, ask, in writing, for written instructions or decision, and upon receipt of such written instructions or decision, he shall proceed without delay to perform

the work or to conform to the record or ruling, and within thirty (30) calendar days after date of receipt of the written instructions or decision (unless the contracting officer shall grant a further period of time prior to commencement of the work affected) he shall file a written protest with the contracting officer, stating clearly and in detail the basis of his protest. Except for such protests as are made of record in the manner herein specified and within the time limit stated, the records, rulings, instructions, or decisions of the contracting officer shall be final and conclusive. Instructions and/or decisions of the contracting officer contained in letters transmitting drawings to the contractor shall be considered as written instructions or decisions subject to protest as herein provided.

Article 16. Bidder's qualifications. All prospective bidders are hereby notified that, before any bid submitted in response to this invitation is considered for award, the Government may require the bidder to submit a statement of facts in detail as to the previous experience of the bidder in performing similar or comparable work and of the business and technical organization and financial resources and plant of the bidder available and to be used in performing the contemplated work. The Government expressly reserves the right to reject any bid on which the facts as to business and technical organization, plant, financial, and other resources, or business experience, compared with the work bid upon, justify such rejection.

In the case of highly specialized or complicated equipment where prior satisfactory performance over a period of time under actual operating conditions is essential to establish the reliability of the equipment and where failure to operate properly could result in loss of life or serious property damage, the contracting officer may require the bidder to furnish evidence of satisfactory performance of comparable equipment over a sufficient period of time to insure the reliability of the equipment being offered.

Article 17. Late bids. (a) Metered mail.--No bid or modification thereof transmitted in a metered envelope received after the time set for opening will be considered, unless the envelope is stamped in the Post Office where mailed to show the date and hour of mailing and it is determined by the Government that nonarrival on time was due solely to delay in the mails for which the bidder was not responsible. If a metering device is used in stamping the envelope containing the bid, the bidder is responsible for assuring that the hour and date of posting are indicated on the envelope by Post Office cancellation. The time as shown by the Post Office cancellation will be considered as the hour and date of posting.

Article 18. Default. The following is added to Paragraph (c) of Clause No. 11 entitled "Default" of Standard Form 32, October 1957 Edition:

> "Whether the failure to perform arises out of default of either the prime contractor or his subcontractor the contractor shall, as a condition precedent to being relieved from excess costs for failure

to perform because of excusable delays, notify the contracting officer in writing of the cause of any such delay, within 30 days from the beginning thereof, or within such further period as the contracting officer shall, prior to the date of final settlement of the contract, grant for the giving of such notice. As soon as practicable after receipt of the contractor's notice of delay, the contracting officer shall ascertain the facts and extent of the delay, and extend the time for making delivery when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal, within 30 days, by the contractor to the Secretary or his duly authorized representative, under the Disputes Clause of this contract."

Article 19. Extras. The contractor shall, when ordered in writing by the contracting officer, perform extra work and furnish extra material, not required by the invitation or included in the schedule, but forming an inseparable part of the work contracted for. Extra work and material will ordinarily be paid for at the lump-sum or unit price stated in the order. Whenever, in the judgment of the contracting officer, it is impracticable, because of the nature of the work or for any other reason to otherwise fix the price in the order, the extra work and material shall be paid for at the actual necessary cost as determined by the contracting officer, plus an allowance, not to exceed 15 per cent of such actual necessary cost of the extra work and materials, for superintendence, general expense, and profit. The actual necessary cost will include all reasonable expenditures for material, labor (including compensation insurance and social security taxes), and supplies furnished by the contractor, and a reasonable allowance for the use of his plant and equipment, where required, but will in no case include any allowance for office expenses, general superintendence, or other general expenses.

Article 20. Federal, State, and local taxes. (a) As used throughout this paragraph, the term "tax inclusive date" means the date of negotiated contracts and the date set for the opening of bids for contracts entered into through formal advertising. As to additional supplies or services procured by modification to this contract, the term "tax inclusive date" means the date of such modification.

(b) Except as may be otherwise provided in this contract, the contract price includes all Federal, State, and local taxes and duties in effect and applicable to this contract on the tax inclusive date, except taxes (other than Federal transportation taxes) from which the Government, the contractor, or the transactions or property covered by this contract are then exempt. Unless specifically excluded, duties are included in the contract price, and, if freight is included in the contract price, Federal transportation taxes are likewise included.

(c) (1) If the contractor is required to pay or bear the burden (i) of any tax or duty, which either was not to be included in the contract price pursuant to the requirements of paragraph (b), or was specifically excluded from the contract price by a provision of this contract; or (ii) of an increase in rate of any tax or duty, whether or not such tax or duty was excluded from the contract price; or of any interest or penalty thereon, the contract price shall be correspondingly increased: Provided, That the contractor warrants in writing that no amount for such tax, duty or rate increase was included in the contract price as a contingency reserve or otherwise: And provided further, That liability for such tax, duty, rate increase, interest, or penalty was not incurred through the fault or negligence of the contractor or its failure to follow instructions of the contracting officer.

(2) If the contractor is not required to pay or bear the burden, or obtains a refund or drawback, in whole or in part, of any tax, duty, interest, or penalty which (i) was to be included in the contract price pursuant to the requirements of subparagraph (b), (ii) was included in the contract price, or (iii) was the basis of an increase in the contract price, the contract price shall be correspondingly decreased or the amount of such relief, refund, or drawback shall be paid to the Government, as directed by the contracting officer. The contract price also shall be correspondingly decreased if the contractor, through its fault or negligence or its failure to follow instructions of the contracting officer, is required to pay or bear the burden, or does not obtain a refund or drawback of any such tax, duty, interest, or penalty. Interest paid or credited to the contractor incident to a refund of taxes shall inure to the benefit of the Government to the extent that such interest was earned after the contractor was paid or reimbursed by the Government for such taxes.

(3) Invoices or vouchers covering any adjustment of the contract price pursuant to this subparagraph (c) shall set forth the amount thereof as a separate item and shall identify the particular tax involved.

(4) Nothing in this subparagraph (c) shall be applicable to social security taxes; net income taxes; excess profit taxes; capital stock taxes; Federal transportation taxes, except changes in the rate thereof, including repeal, pertaining to shipments from the contractor to the Government; unemployment compensation taxes; or any State and local taxes, except those levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract, including gross income taxes, gross receipts taxes, sales and use taxes, excise taxes, or franchise or occupation taxes measured by sales or receipt from sales.

(5) No adjustment of less than $100 shall be made in the contract price pursuant to this subparagraph.

(d) Unless there does not exist any reasonable basis to sustain an exemption, the Government agrees upon request of the contractor, without

further liability except as otherwise provided in this contract, to furnish evidence appropriate to establish exemption from (i) any Federal tax, which the contractor warrants in writing was excluded from the contract price, or (ii) any State or local tax: Provided, That evidence appropriate to establish exemption from duties will be furnished, and Government bills of lading will be issued, only at the discretion of the contracting officer. In addition, the contracting officer may furnish evidence appropriate to establish exemption from any tax that may, pursuant to this paragraph, give rise to either an increase or decrease in the contract price.

(e) (1) The contractor shall promptly notify the contracting officer of all matters pertaining to Federal, State, and local taxes and duties that reasonably may result in either an increase or decrease in the contract price.

(2) Whenever an increase or decrease in the contract price may be required under this paragraph, the contractor shall take action as directed by the contracting officer, and the contract price shall be equitably adjusted to cover the costs of such action, including any interest, penalty, and reasonable attorney's fees.

NOTE: WHERE TRADE NAMES ARE USED IT IS FOR IDENTIFICATION ONLY.

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FOR ADDITIONAL INFORMATION CONTACT:

R. E. Babcock
Bureau of Mines
Denver, Colorado
Tel.: Keyston 4-4151, Ext. 8303

DRR-59-61
Requisition DRRA-3-50

Bldg. Sec Customhouse, Denver, Colo. August 28, 1958

Shipping: Special 1A3A401(09)

14-09-030-

578

Denver Equipment Company
1400 17th Street
Denver 17, Colorado

Bureau of Mines
Bldg. Sec/Customhouse
Denver, Colorado

Attn: J. W. Townsend

DRR-59-5 14-09-030-578 90 days 1% 10 days

** Bldg. 20, Federal Center Bureau ---- Home

1	Concentration of 36 samples of chuck drill hole material (07)	1	job	$215.00	$215.00
2	(a) Analyze 1/4 split of concentrate from each of above 36 samples for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report of the processing, including results of the analyses (07)	1	job	1051.00	1051.00
3	(a) Analyze 3 samples of previously concentrated material from test pits for content of tin, columbium-tantalum, tungsten, and gold. ~~(b) Prepare report including results.~~ analyses (07)	1	job	86.00	86.00

As per attached specifications

[illegible]

5352.00

R. E. BABCOCK
Procurement by Memorandum Officer

SPECIFICATIONS

Item 1. - The sample material to be concentrated is from 18 churn drill holes, drilled through placer deposits in the Beaver Creek and Bear Creek Areas. The material, aggregating approximately 2-1/2 cubic yards, is in metal containers and each container is labeled with the Area, drill hole number, and sample interval. Many of the metal containers are not full and some contain considerable water. It will be necessary that the net volume of each sample be determined in advance of processing, as assay results are to be computed on the basis of cubic yard of material. See Exhibit "A", Schedule of Churn Drill Hole Samples, attached hereto, for listing of samples to be concentrated; and see Exhibit "B", Flow Sheet for Concentrating Churn Drill Hole Sample Material, attached hereto, for method of concentrating the samples.

Referring to Exhibit "A", Beaver Creek Area, the material from sample intervals 0-6 feet and 6-12 feet will be combined into a composite sample for concentration purpose. The material from the sample interval from 12 feet to bottom of hole will be concentrated as a separate sample. In the Bear Creek Area, sample material for separate concentration will be for the intervals of 0-6 feet and 6-12 feet.

Item 2. - The concentrates from each of the 36 samples, concentrated under Item 1, will be split into two equal portions; one portion of which is to be placed in a suitable container and reserved for subsequent use by the Government, each container to be properly labeled with the words, "Government," and the "Area," "Hole Number," and "Sample Interval" given. The other half of each concentrate split will be resplit two ways; one half will be placed in a suitable covered container labeled with the words, "Operator," and the "Area," "Hole Number," and "Sample Interval" given. The remaining one-fourth of the concentrates is to be used for analysis to obtain content of tin, columbium-tantalum, tungsten, and gold.

The report of the concentration and analyses must be submitted in triplicate and shall contain, in tabular form, the following information for each sample: Area, hole number, sample interval, volume of sample before concentration, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

Item 3. - The samples of concentrates to be analyzed are a one-half split of that derived from the beneficiation of placer gravel obtained from test pits. The samples are in canvas bags and are

labeled as follows, with applicable yardage of the original sample from which the concentrates were derived:

Area	Pit Number	Sample Interval	Cubic Yards
Beaver Creek	1	0 - 16-1/4 Ft.	12.975
Bear Creek	1	0 - 6-1/4 Ft.	3.390
Bear Creek	~~X~~ 2	0 - 7 Ft.	4.309.

The report of the results of analyses must be submitted in triplicate and shall contain in tabular form the following information for each sample: Area, pit number, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

General -

1. The project as heretofore outlined shall be identified as Docket No. DMEA 654, Contract No. Idm-E58. The report of analysis results shall be addressed to the Executive Officer, DMEA Field Team, Region III, Defense Minerals Exploration Administration, 224 New Customhouse, Denver 2, Colorado.

2. The work outlined under items 1, 2, and 3 above shall be completed so that the required report, in triplicate, will be forwarded, together with the "Government's" and "Operator's" splits of concentrates, so as to reach the above destination within ninety (90) calendar days from the date the confirming purchase order and the sample material were received by the successful bidder.

3. The material under items 1 and 3 is available for prebid inspection at the Denver Federal Center, and inspection can be arranged through John F. Shaw, Bureau of Mines, Building 20, Denver Federal Center, during the hours of 8:30 a.m. to 4:00 p.m. Monday through Friday.

4.* Bidder will designate location of its laboratory to which the material will be delivered by the Government. Costs of transporting the material from the Denver Federal Center to the bidder's laboratory will be considered in making the award.

*The material will be delivered to the successful bidder as soon as possible after award has been made.

Exhibit "A"

Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
1	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
2	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	4	12-19	12-19
3	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
4	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-19	12-19
5	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
6	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
7	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
8	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-17	12-17

Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

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BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-17	12-17

BEAR CREEK AREA

1	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	15 gal. drum	2	6-12	6-12
2	55 gal. drum	1	0-6	
	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	40 gal. drum	1	6-12	6-12
3	15 gal. drum	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
4	15 gal. drum	1	0-6	0-6
	35 lb. can	2	6-12	6-12
5	35 lb. can	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
6	55 gal. drum	1	0-6	0-6
	40 gal. drum	1	6-12	6-12
7	15 gal. drum	2	0-6	0-6
	15 gal. drum	1	6-12	
	50 lb. can	1	6-12	6-12
8	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

14-09-030-

578

BEAR CREEK AREA

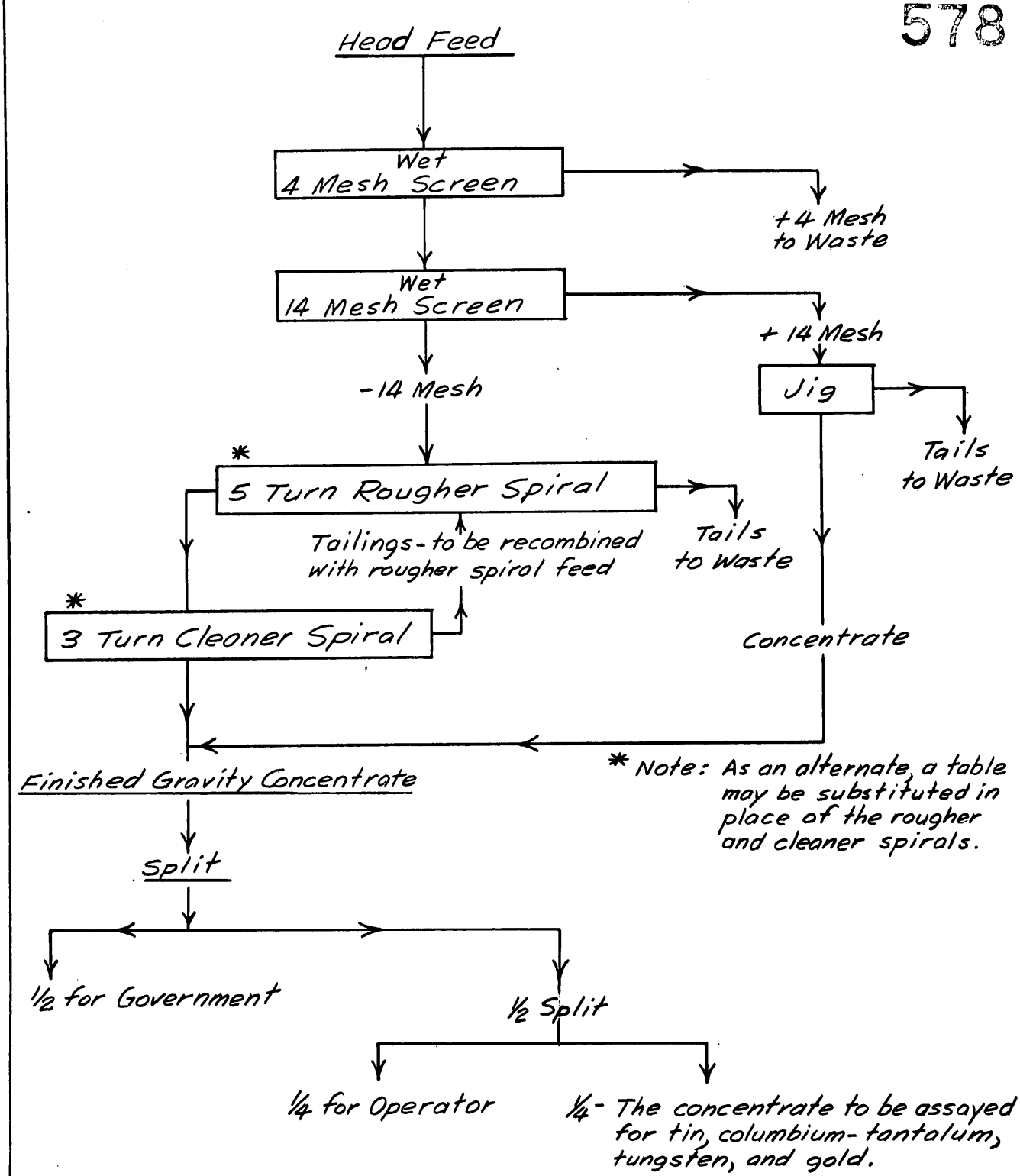
Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

EXHIBIT "B"

FLOW SHEET FOR CONCENTRATING CHURN DRILL HOLE SAMPLE MATERIAL

14-09-030-

578



Rejected Bids

Standard Form 33 (Oct. 1957 Edition)
Prescribed by General Services Administration
Regulation 1-II-209.00

INVITATION, BID, AND AWARD
(SUPPLY CONTRACT)

CONTRACT NO.

ORDER NO. (*If any*)

PAGE NO. 1 | NUMBER OF PAGES

ISSUED BY: Department of the Interior
Bureau of Mines, Region III

ADDRESS: 224 New Customhouse
Denver, Colorado

INVITATION FOR BIDS

DATE ISSUED: August 15, 1958 | INVITATION NO. DER-59-5

Sealed bids in quintuplicate, subject to (1) the Terms and Conditions of the Invitation for Bids, (2) the accompanying Schedule, (3) General Provisions (Standard Form 32, October 1957 edition), which are incorporated herein by reference, and (4) such other contract provisions and specifications as are attached or incorporated by reference in the Schedule, will be received at the above office until 2:00 o'clock p m., MST Time, August 27, 1958 (*date*) and at that time publicly opened, for furnishing the supplies or services described in the accompanying Schedule, for delivery f. o. b. DMEA, Executive Officer, 224 New Customhouse, Denver 2, Colorado

General information and instructions to bidders are contained in the terms and conditions on the reverse hereof.

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	QUANTITY (*No. of units*)	UNIT	UNIT PRICE	AMOUNT
1	Concentration of 36 samples				
2	Analysis of 36 concentrate samples				
3	Analysis of 3 concentrate samples				
	For details see "Continuation Sheet" and "Specifications" attached. Attached special terms and conditions of the invitation for bids are hereby made part of the contract.				

BID

DATE OF BID: 90

In compliance with the above, the undersigned offers and agrees, if this Bid be accepted within _____ calendar days (*60 calendar days unless a different period be inserted by the bidder*) from the date of opening, to furnish any or all of the items upon which prices are quoted, at the price set opposite each item, delivered at the designated point(s) within the time specified in the Schedule. Discounts will be allowed for prompt payment as follows:

_____ percent, 10 calendar days; _____ percent, 20 calendar days; _____ percent, 30 calendar days.

BIDDER REPRESENTS: (*Check appropriate boxes*)

(1) That he ☐ is, ☐ is not, a small business concern. (*See definition on reverse hereof.*) If bidder is a small business concern and is not the manufacturer of the supplies bid upon, he also represents that all supplies to be furnished hereunder ☐ will, ☐ will not, be manufactured or produced by a small business concern in the United States, its Territories, its possessions, or the Commonwealth of Puerto Rico.

(2) That he is a ☐ regular dealer in, ☐ manufacturer of, the supplies bid upon.

(3) (*a*) That he ☐ has, ☐ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure this contract, and (b) that he ☐ has, ☐ has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (*a*) and (*b*) above as requested by the Contracting Officer.
(*For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Part 150.*)

(4) He operates as an ☐ individual, ☐ partnership, ☐ corporation, incorporated in the State of COLORADO

NAME AND ADDRESS OF BIDDER (*Street, city, zone, and State. Type or print*)
COLORADO SCHOOL OF MINES
RESEARCH FOUNDATION, INC.
EXPERIMENTAL PLANT BUILDING
GOLDEN, COLORADO

SIGNATURE OF PERSON AUTHORIZED TO SIGN BID: W. F. Anderson

TYPE OR PRINT SIGNER'S NAME AND TITLE
W. F. ANDERSON, MANAGER
BUSINESS OPERATIONS

AWARD

DATE OF AWARD

ACCEPTED AS TO ITEMS NUMBERED

AMOUNT $

UNITED STATES OF AMERICA

BY _____ *Contracting Officer.*

SUBMIT INVOICE FOR PAYMENT TO

ACCOUNTING AND APPROPRIATION DATA

PAYMENT WILL BE MADE BY

Award will be made on this Form, or on Standard Form 26, or by other official written notice.

16—60682-4

TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

1. PREPARATION OF BIDS.—(*a*) Bidders are expected to examine the drawings, specifications, Schedule, and all instructions. Failure to do so will be at the bidder's risk.

(*b*) Each bidder shall furnish the information required by the bid form. The bidder shall print or type his name on the Schedule and each Continuation Sheet thereof on which he makes an entry. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent must be accompanied by evidence of his authority.

(*c*) Unit price for each unit bid on shall be shown and such price shall include packing unless otherwise specified. A total shall be entered in the Amount column of the Schedule for each item bid on. In case of error in extension of price, the unit price will govern.

(*d*) Alternate bids will not be considered unless authorized by the Invitation.

(*e*) When not otherwise specified, bidder must definitely state time of proposed delivery.

(*f*) Time, if stated as a number of days, will include Sundays and holidays.

2. SUBMISSION OF BIDS.—(*a*) Bids and modifications thereof shall be enclosed in sealed envelopes addressed to the issuing office, with the name and address of the bidder, the date and hour of opening, and the invitation number on the face of the envelope. Telegraphic bids will not be considered unless authorized by the Invitation; however, bids may be modified by telegraphic notice provided such notice is received prior to the time set for the opening of the bids.

(*b*) Samples of items, when required, must be submitted within the time specified, and unless otherwise specified by the Government, at no expense to the Government. If not destroyed by testing, samples will be returned at bidder's request and expense, unless otherwise specified by the Invitation.

(*c*) In the event no bid is to be submitted, do not return the Invitation unless otherwise specified. However, a letter or post card should be sent to the issuing office advising whether future Invitations for the type of supplies or services covered by this Invitation are desired.

3. WITHDRAWAL OF BIDS.—Bids may be withdrawn by written or telegraphic notice (see 4 below).

4. LATE BIDS.—Bids and modifications or withdrawals thereof received after the time set for opening will not be considered, unless they are received before the award is made, and it is determined by the Government that failure to arrive on time was due solely to delay in the mails for which the bidder was not responsible.

5. GOVERNMENT-FURNISHED PROPERTY.—No material, labor, or facilities will be furnished by the Government unless otherwise provided for in the Invitation.

6. LABOR INFORMATION.—Attention is invited to the possibility that wage determinations may have been made under the Walsh-Healey Public Contracts Act providing minimum wages for employees engaged in the manufacture for sale to the Government of the supplies covered by this Invitation for Bids. Information in this connection, as well as general information as to the requirements of the Act concerning overtime payment, child labor, safety and health provisions, etc., may be obtained from the Wage and Hour and Public Contracts Divisions, Department of Labor, Washington 25, D. C. Requests for information should state the Invitation number, the issuing agency and the supplies covered.

7. DISCOUNTS.—(*a*) Prompt-payment discounts will be included in the evaluation of bids, provided the period of the offered discount is sufficient to permit payment within such period in the regular course of business under the delivery, inspection, and payment provisions of the Invitation and Bid.

(*b*) In connection with any discount offered, time will be computed from date of delivery of the supplies to carrier when delivery and acceptance are at point of origin, or from date of delivery at destination or port of embarkation when delivery and acceptance are at either of those points, or from date correct invoice or voucher is received in the office specified by the Government if the latter date is later than the date of delivery. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing of the Government check.

8. AWARD OF CONTRACT.—(*a*) The contract will be awarded to that responsible bidder whose bid, conforming to the Invitation for Bids, will be most advantageous to the Government, price and other factors considered.

(*b*) The Government reserves the right to reject any or all bids and to waive informalities and minor irregularities in bids received.

(*c*) The Government may accept any item or group of items of any bid, unless the bidder qualifies his bid by specific limitations. UNLESS OTHERWISE PROVIDED IN THE SCHEDULE, BIDS MAY BE SUBMITTED FOR ANY QUANTITIES LESS THAN THOSE SPECIFIED; AND THE GOVERNMENT RESERVES THE RIGHT TO MAKE AN AWARD ON ANY ITEM FOR A QUANTITY LESS THAN THE QUANTITY BID UPON AT THE UNIT PRICES OFFERED UNLESS THE BIDDER SPECIFIES OTHERWISE IN HIS BID.

(*d*) A written award mailed (or otherwise furnished) to the successful bidder within the time for acceptance specified in the bid shall be deemed to result in a binding contract without further action by either party.

9. SELLER'S INVOICES.—Invoices shall be prepared and submitted in quadruplicate unless otherwise specified. Invoices shall contain the following information: Contract and order number (if any), item numbers, description of supplies or services, sizes, quantities, unit prices, and extended totals. Bill of lading number and weight of shipment will be shown for shipments made on Government bills of lading.

10. DEFINITION OF SMALL BUSINESS.—Generally, a small business concern for the purpose of Government procurement is a concern that (1) is not dominant in its field of operation and, with its affiliates, employs fewer than 500 employees, or (2) is certified as a small business concern by Small Business Administration. (*See Code of Federal Regulations, Title 13, Part 103, as amended, which contains the detailed definition and related procedures.*)

* U. S. GOVERNMENT PRINTING OFFICE : 1957 O—448020

CONTINUATION SHEET

Bids will be considered under the following schedule. NO BID will be considered for only part of the schedule.

Item No.	Supplies or Services	Unit	Unit Price
1	Concentration of 36 samples of churn drill hole material	Job	$10,000
2	(a) Analyze 1/4 split of concentrate from each of above 36 samples for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report of the processing, including results of the analyses	Job	4,600
3	(a) Analyze 3 samples of previously concentrated material from test pits for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report giving results of the analyses	Job	400
		TOTAL	$15,000

Specifications pertaining to the foregoing items 1, 2, and 3 are attached hereto and made a part of this Invitation to Bid.

COLORADO SCHOOL OF MINES
RESEARCH FOUNDATION, INC.
EXPERIMENTAL PLANT BUILDING
GOLDEN, COLORADO

SPECIFICATIONS

Item 1. - The sample material to be concentrated is from 18 churn drill holes, drilled through placer deposits in the Beaver Creek and Bear Creek Areas. The material, aggregating approximately 2-1/2 cubic yards, is in metal containers and each container is labeled with the Area, drill hole number, and sample interval. Many of the metal containers are not full and some contain considerable water. It will be necessary that the net volume of each sample be determined in advance of processing, as assay results are to be computed on the basis of cubic yard of material. See Exhibit "A", Schedule of Churn Drill Hole Samples, attached hereto, for listing of samples to be concentrated; and see Exhibit "B", Flow Sheet for Concentrating Churn Drill Hole Sample Material, attached hereto, for method of concentrating the samples.

Referring to Exhibit "A", Beaver Creek Area, the material from sample intervals 0-6 feet and 6-12 feet will be combined into a composite sample for concentration purpose. The material from the sample interval from 12 feet to bottom of hole will be concentrated as a separate sample. In the Bear Creek Area, sample material for separate concentration will be for the intervals of 0-6 feet and 6-12 feet.

Item 2. - The concentrates from each of the 36 samples, concentrated under Item 1, will be split into two equal portions; one portion of which is to be placed in a suitable container and reserved for subsequent use by the Government, each container to be properly labeled with the words, "Government," and the "Area," "Hole Number," and "Sample Interval" given. The other half of each concentrate split will be resplit two ways; one half will be placed in a suitable covered container labeled with the words, "Operator," and the "Area," "Hole Number," and "Sample Interval" given. The remaining one-fourth of the concentrates is to be used for analysis to obtain content of tin, columbium-tantalum, tungsten, and gold.

The report of the concentration and analyses must be submitted in triplicate and shall contain, in tabular form, the following information for each sample: Area, hole number, sample interval, volume of sample before concentration, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

Item 3. - The samples of concentrates to be analyzed are a one-half split of that derived from the beneficiation of placer gravel obtained from test pits. The samples are in canvas bags and are

labeled as follows, with applicable yardage of the original sample from which the concentrates were derived:

Area	Pit Number	Sample Interval	Cubic Yards
Beaver Creek	1	0 - 16-1/4 Ft.	12.975
Bear Creek	1	0 - 6-1/4 Ft.	3.390
Bear Creek	~~1~~ 2	0 - 7 Ft.	4.309.

The report of the results of analyses must be submitted in triplicate and shall contain in tabular form the following information for each sample: Area, pit number, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

General -

1. The project as heretofore outlined shall be identified as Docket No. DMEA 654, Contract No. Idm-E58. The report of analysis results shall be addressed to the Executive Officer, DMEA Field Team, Region III, Defense Minerals Exploration Administration, 224 New Customhouse, Denver 2, Colorado.

2. The work outlined under items 1, 2, and 3 above shall be completed so that the required report, in triplicate, will be forwarded, together with the "Government's" and "Operator's" splits of concentrates, so as to reach the above destination within ninety (90) calendar days from the date the confirming purchase order and the sample material were received by the successful bidder.

3. The material under items 1 and 3 is available for prebid inspection at the Denver Federal Center, and inspection can be arranged through John F. Shaw, Bureau of Mines, Building 20, Denver Federal Center, during the hours of 8:30 a.m. to 4:00 p.m. Monday through Friday.

4.* Bidder will designate location of its laboratory to which the material will be delivered by the Government. Costs of transporting the material from the Denver Federal Center to the bidder's laboratory will be considered in making the award.

*The material will be delivered to the successful bidder as soon as possible after award has been made.

Exhibit "A"

Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
1	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
2	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	4	12-19	12-19
3	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
4	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-19	12-19
5	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
6	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
7	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
8	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-17	12-17

Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-17	12-17

BEAR CREEK AREA

1	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	15 gal. drum	2	6-12	6-12
2	55 gal. drum	1	0-6	
	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	40 gal. drum	1	6-12	6-12
3	15 gal. drum	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
4	15 gal. drum	1	0-6	0-6
	35 lb. can	2	6-12	6-12
5	35 lb. can	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
6	55 gal. drum	1	0-6	0-6
	40 gal. drum	1	6-12	6-12
7	15 gal. drum	2	0-6	0-6
	15 gal. drum	1	6-12	
	50 lb. can	1	6-12	6-12
8	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

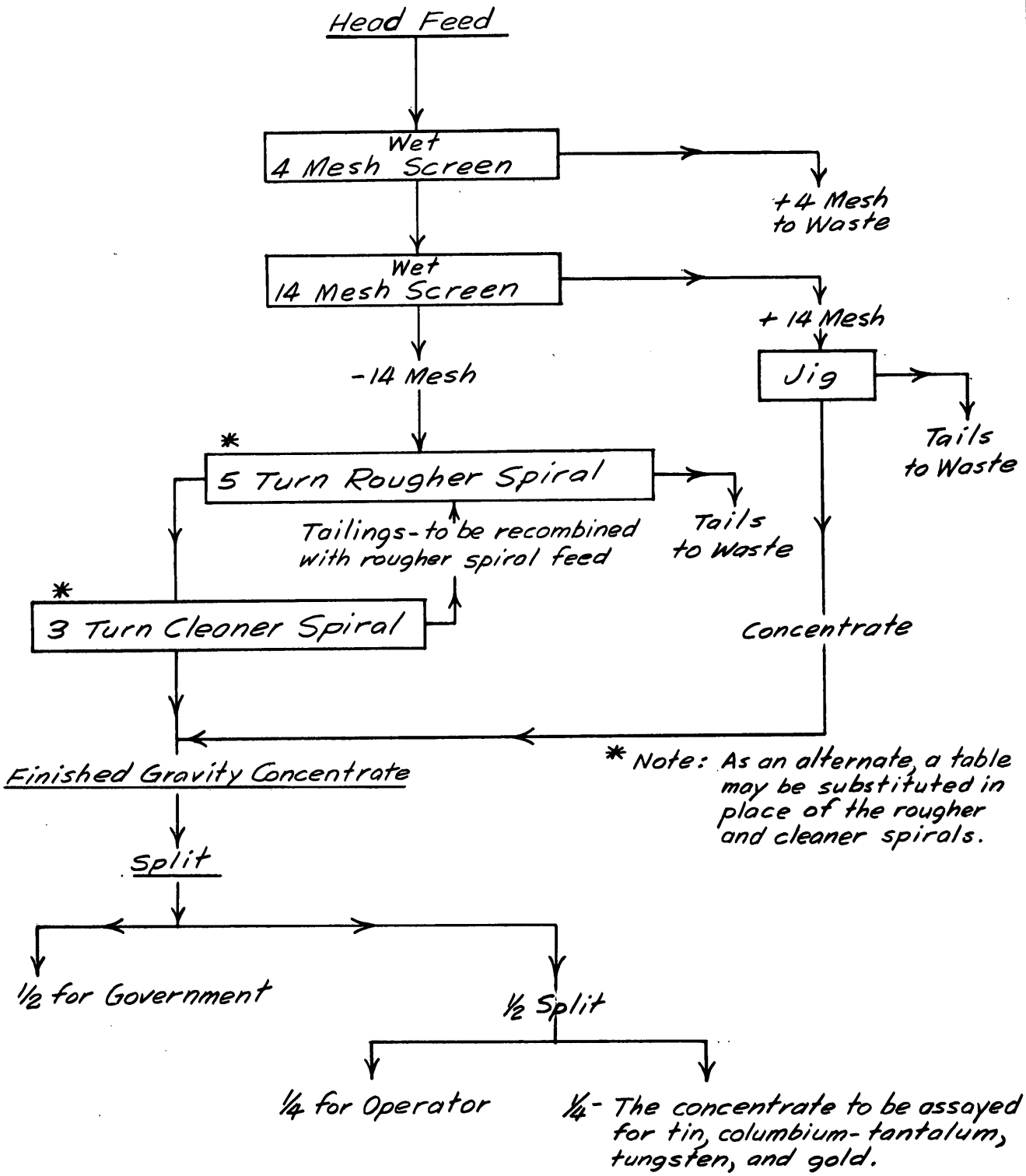
Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

BEAR CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

EXHIBIT "B"

FLOW SHEET FOR CONCENTRATING CHURN DRILL HOLE SAMPLE MATERIAL



Standard Form 32, Oct. 1957 Edition
Prescribed by General Services
Administration Regulation I-II-209.00

GENERAL PROVISIONS

(Supply Contract)

1. DEFINITIONS

As used throughout this contract, the following terms shall have the meanings set forth below:

(*a*) The term "Secretary" means the Secretary, the Under Secretary, or any Assistant Secretary of the Department, and the head or any assistant head of the Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the Secretary.

(*b*) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.

(*c*) Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.

2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change: *Provided, however,* That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefor have been authorized in writing by the Contracting Officer.

4. VARIATION IN QUANTITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

5. INSPECTION

(*a*) All supplies (which term throughout this clause includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to acceptance.

(*b*) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*c*) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: *Provided,* That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

(*d*) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this

contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(*e*) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

6. Responsibility for Supplies

Except as otherwise provided in this contract, (i) the Contractor shall be responsible for the supplies covered by this contract until they are delivered at the designated delivery point, regardless of the point of inspection; (ii) after delivery to the Government at the designated point and prior to acceptance by the Government or rejection and giving notice thereof by the Government, the Government shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction, or damage results from the negligence of officers, agents, or employees of the Government acting within the scope of their employment; and (iii) the Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Government shall be responsible for the loss, or destruction of, or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of the Government acting within the scope of their employment.

7. Payments

The Contractor shall be paid, upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either $1,000 or 50 percent of the total amount of this contract.

8. Assignment of Claims

(*a*) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. Code 203, 41 U. S. Code 15), if this contract provides for payments aggregating $1,000 or more, claims for monies due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Notwithstanding any provisions of this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off. (*The preceding sentence applies only if this contract is with the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President pursuant to clause 4 of the proviso of section 1 of the Assignment of Claims Act of 1940, as amended by the Act of May 15, 1951, 65 Stat. 41.*)

(*b*) In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret," "Secret," or "Confidential," be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same: *Provided,* That a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

9. Additional Bond Security

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Government, or if any such surety fails to furnish reports as to his financial condition from time to time as requested by the Government, the Contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by this contract.

10. Examination of Records

(The following clause is applicable if the amount of this contract exceeds $1,000 and was entered into by means of negotiation, but is not applicable if this contract was entered into by means of formal advertising.)

(*a*) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(*b*) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding $1,000 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

11. Default

(*a*) The Government may, subject to the provisions of paragraph (*c*) below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances:

(i) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) if the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(*b*) In the event the Government terminates this contract in whole or in part as provided in paragraph (*a*) of this clause, the Government may procure, upon such terms and in such manner as the Contracting Officer may deem

appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Government for any excess costs for such similar supplies or services: *Provided,* That the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.

(*c*) Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(*d*) If this contract is terminated as provided in paragraph (*a*) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*e*) If, after notice of termination of this contract under the provisions of paragraph (*a*) of this clause, it is determined that the failure to perform this contract is due to causes beyond the control and without the fault or negligence of the Contractor or subcontractor pursuant to the provisions of paragraph (*c*) of this clause, such notice of default shall be deemed to have been issued pursuant to the clause of this contract entitled "Termination for Convenience of the Government," and the rights and obligations of the parties hereto shall in such event be governed by such clause. (*Except as otherwise provided in this contract, this paragraph (e) applies only if this contract contains such clause.*)

(*f*) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

12. Disputes

(*a*) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(*b*) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (*a*) above: *Provided,* That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

13. Notice and Assistance Regarding Patent Infringement

The provisions of this clause shall be applicable only if the amount of this contract exceeds $5,000.

(*a*) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent infringement based on the performance of this contract of which the Contractor has knowledge.

(*b*) In the event of litigation against the Government on account of any claim of patent infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or service performed hereunder, the Contractor shall furnish to the Government, upon request, all evidence and information in possession of the Contractor pertaining to such litigation. Such evidence and information shall be furnished at the expense of the Government except in those cases in which the Contractor has agreed to indemnify the Government against the claim being asserted.

14. Buy American Act

(*a*) In acquiring end products, the Buy American Act (41 U. S. Code 10 a–d) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) a "domestic source end product" means (A) an unmanufactured end product which has been mined or

produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (*a*) (iii) (B), components of foreign origin of the same type or kind as the products referred to in (*b*) (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(*b*) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(i) which are for use outside the United States;

(ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or

(iv) as to which the Secretary determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.)

15. CONVICT LABOR

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor.

16. EIGHT-HOUR LAW OF 1912—OVERTIME COMPENSATION

This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324–326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35–45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

17. WALSH-HEALEY PUBLIC CONTRACTS ACT

If this contract is for the manufacture or furnishing of materials, supplies, articles, or equipment in an amount which exceeds or may exceed $10,000 and is otherwise subject to the Walsh-Healey Public Contracts Act, as amended (41 U. S. Code 35–45), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

18. NONDISCRIMINATION IN EMPLOYMENT

(*a*) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.

(*b*) The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

19. OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

20. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

21. UTILIZATION OF SMALL BUSINESS CONCERNS

(*a*) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(*b*) The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

☆ U. S. GOVERNMENT PRINTING OFFICE : 1957 O - 442852

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SPECIAL TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

Article 11. Standard Form 32, General Provisions (Supply Contract) prescribed by the General Services Administration, October 1957 edition, is incorporated herein by reference and made a part hereof and receipt of the form is hereby acknowledged. (A copy of Standard Form 32 is obtainable upon request.)

Article 12. Patents. The Contractor shall hold and save the Government, its officers, agents, servants, and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, article, process, appliance or apparatus manufactured or used by the Contractor in performance of this contract, including its subsequent use or disposal by or for the Government. Any patented invention, the use of which by this contract is required or permitted in the alternative to be used and which the United States has the right to use royalty free, shall be available to the Contractor without the payment of the royalty.

Article 13. Delivery. Time of delivery is important, and complete delivery at the specified destination is desired within the number of calendar days after date of receipt by the contractor of notice of award of contract as indicated on the face of Standard Form 33.

Bidders are required to state, in the space provided on the face of Standard Form 33, a definite period of time within which shipment will be made, and the time so stated, if in excess of the time desired, may be considered in making award of contract. If the bidder fails to insert the number of days in which shipment will be made, the bid will be considered upon the basis that shipment will be made within the desired period, and the bidder agrees to accept award on that basis.

Article 14. Comparison of bids. Whenever applicable, equalizing elements or factors not specifically mentioned or provided for herein, such as the cost of transportation, of installation, of inspection (including salaries, travel, and subsistence expenses), or of any other element or factor in addition to that of price which would affect the final cost to the Government, may be taken into consideration in making award of contract.

Article 15. Protests. If the contractor considers any work demanded of him to be outside of the requirements of the contract, or considers any record or ruling of the contracting officer or of the inspectors to be unfair, he shall immediately upon such work being demanded or such record or ruling being made, ask, in writing, for written instructions or decision, and upon receipt of such written instructions or decision, he shall proceed without delay to perform

the work or to conform to the record or ruling, and within thirty (30) calendar days after date of receipt of the written instructions or decision (unless the contracting officer shall grant a further period of time prior to commencement of the work affected) he shall file a written protest with the contracting officer, stating clearly and in detail the basis of his protest. Except for such protests as are made of record in the manner herein specified and within the time limit stated, the records, rulings, instructions, or decisions of the contracting officer shall be final and conclusive. Instructions and/or decisions of the contracting officer contained in letters transmitting drawings to the contractor shall be considered as written instructions or decisions subject to protest as herein provided.

Article 16. Bidder's qualifications. All prospective bidders are hereby notified that, before any bid submitted in response to this invitation is considered for award, the Government may require the bidder to submit a statement of facts in detail as to the previous experience of the bidder in performing similar or comparable work and of the business and technical organization and financial resources and plant of the bidder available and to be used in performing the contemplated work. The Government expressly reserves the right to reject any bid on which the facts as to business and technical organization, plant, financial, and other resources, or business experience, compared with the work bid upon, justify such rejection.

In the case of highly specialized or complicated equipment where prior satisfactory performance over a period of time under actual operating conditions is essential to establish the reliability of the equipment and where failure to operate properly could result in loss of life or serious property damage, the contracting officer may require the bidder to furnish evidence of satisfactory performance of comparable equipment over a sufficient period of time to insure the reliability of the equipment being offered.

Article 17. Late bids. (a) Metered mail.--No bid or modification thereof transmitted in a metered envelope received after the time set for opening will be considered, unless the envelope is stamped in the Post Office where mailed to show the date and hour of mailing and it is determined by the Government that nonarrival on time was due solely to delay in the mails for which the bidder was not responsible. If a metering device is used in stamping the envelope containing the bid, the bidder is responsible for assuring that the hour and date of posting are indicated on the envelope by Post Office cancellation. The time as shown by the Post Office cancellation will be considered as the hour and date of posting.

Article 18. Default. The following is added to Paragraph (c) of Clause No. 11 entitled "Default" of Standard Form 32, October 1957 Edition:

> "Whether the failure to perform arises out of default of either the prime contractor or his subcontractor the contractor shall, as a condition precedent to being relieved from excess costs for failure

to perform because of excusable delays, notify the contracting officer in writing of the cause of any such delay, within 30 days from the beginning thereof, or within such further period as the contracting officer shall, prior to the date of final settlement of the contract, grant for the giving of such notice. As soon as practicable after receipt of the contractor's notice of delay, the contracting officer shall ascertain the facts and extent of the delay, and extend the time for making delivery when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal, within 30 days, by the contractor to the Secretary or his duly authorized representative, under the Disputes Clause of this contract."

Article 19. Extras. The contractor shall, when ordered in writing by the contracting officer, perform extra work and furnish extra material, not required by the invitation or included in the schedule, but forming an inseparable part of the work contracted for. Extra work and material will ordinarily be paid for at the lump-sum or unit price stated in the order. Whenever, in the judgment of the contracting officer, it is impracticable, because of the nature of the work or for any other reason to otherwise fix the price in the order, the extra work and material shall be paid for at the actual necessary cost as determined by the contracting officer, plus an allowance, not to exceed 15 per cent of such actual necessary cost of the extra work and materials, for superintendence, general expense, and profit. The actual necessary cost will include all reasonable expenditures for material, labor (including compensation insurance and social security taxes), and supplies furnished by the contractor, and a reasonable allowance for the use of his plant and equipment, where required, but will in no case include any allowance for office expenses, general superintendence, or other general expenses.

Article 20. Federal, State, and local taxes. (a) As used throughout this paragraph, the term "tax inclusive date" means the date of negotiated contracts and the date set for the opening of bids for contracts entered into through formal advertising. As to additional supplies or services procured by modification to this contract, the term "tax inclusive date" means the date of such modification.

(b) Except as may be otherwise provided in this contract, the contract price includes all Federal, State, and local taxes and duties in effect and applicable to this contract on the tax inclusive date, except taxes (other than Federal transportation taxes) from which the Government, the contractor, or the transactions or property covered by this contract are then exempt. Unless specifically excluded, duties are included in the contract price, and, if freight is included in the contract price, Federal transportation taxes are likewise included.

(c) (1) If the contractor is required to pay or bear the burden (i) of any tax or duty, which either was not to be included in the contract price pursuant to the requirements of paragraph (b), or was specifically excluded from the contract price by a provision of this contract; or (ii) of an increase in rate of any tax or duty, whether or not such tax or duty was excluded from the contract price; or of any interest or penalty thereon, the contract price shall be correspondingly increased: Provided, That the contractor warrants in writing that no amount for such tax, duty or rate increase was included in the contract price as a contingency reserve or otherwise: And provided further, That liability for such tax, duty, rate increase, interest, or penalty was not incurred through the fault or negligence of the contractor or its failure to follow instructions of the contracting officer.

(2) If the contractor is not required to pay or bear the burden, or obtains a refund or drawback, in whole or in part, of any tax, duty, interest, or penalty which (i) was to be included in the contract price pursuant to the requirements of subparagraph (b), (ii) was included in the contract price, or (iii) was the basis of an increase in the contract price, the contract price shall be correspondingly decreased or the amount of such relief, refund, or drawback shall be paid to the Government, as directed by the contracting officer. The contract price also shall be correspondingly decreased if the contractor, through its fault or negligence or its failure to follow instructions of the contracting officer, is required to pay or bear the burden, or does not obtain a refund or drawback of any such tax, duty, interest, or penalty. Interest paid or credited to the contractor incident to a refund of taxes shall inure to the benefit of the Government to the extent that such interest was earned after the contractor was paid or reimbursed by the Government for such taxes.

(3) Invoices or vouchers covering any adjustment of the contract price pursuant to this subparagraph (c) shall set forth the amount thereof as a separate item and shall identify the particular tax involved.

(4) Nothing in this subparagraph (c) shall be applicable to social security taxes; net income taxes; excess profit taxes; capital stock taxes; Federal transportation taxes, except changes in the rate thereof, including repeal, pertaining to shipments from the contractor to the Government; unemployment compensation taxes; or any State and local taxes, except those levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract, including gross income taxes, gross receipts taxes, sales and use taxes, excise taxes, or franchise or occupation taxes measured by sales or receipt from sales.

(5) No adjustment of less than $100 shall be made in the contract price pursuant to this subparagraph.

(d) Unless there does not exist any reasonable basis to sustain an exemption, the Government agrees upon request of the contractor, without

further liability except as otherwise provided in this contract, to furnish evidence appropriate to establish exemption from (i) any Federal tax, which the contractor warrants in writing was excluded from the contract price, or (ii) any State or local tax: Provided, That evidence appropriate to establish exemption from duties will be furnished, and Government bills of lading will be issued, only at the discretion of the contracting officer. In addition, the contracting officer may furnish evidence appropriate to establish exemption from any tax that may, pursuant to this paragraph, give rise to either an increase or decrease in the contract price.

(e) (1) The contractor shall promptly notify the contracting officer of all matters pertaining to Federal, State, and local taxes and duties that reasonably may result in either an increase or decrease in the contract price.

(2) Whenever an increase or decrease in the contract price may be required under this paragraph, the contractor shall take action as directed by the contracting officer, and the contract price shall be equitably adjusted to cover the costs of such action, including any interest, penalty, and reasonable attorney's fees.

NOTE: WHERE TRADE NAMES ARE USED IT IS FOR IDENTIFICATION ONLY.

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FOR ADDITIONAL INFORMATION CONTACT:

R. E. Babcock
Bureau of Mines
Denver, Colorado
Tel.: Keyston 4-4151, Ext. 8303

Standard Form 33 (Oct. 1957 Edition)
Prescribed by General Services Administration
Regulation 1-II-209.00

INVITATION, BID, AND AWARD
(SUPPLY CONTRACT)

CONTRACT NO.

ORDER NO. (If any) Lot No. 1366

PAGE NO. 1 | NUMBER OF PAGES 2

ISSUED BY: Department of the Interior
Bureau of Mines, Region III

ADDRESS: 224 New Customhouse
Denver, Colorado

INVITATION FOR BIDS

DATE ISSUED: August 15, 1958 | INVITATION NO. DER-59-5

Sealed bids in quintuplicate, subject to (1) the Terms and Conditions of the Invitation for Bids, (2) the accompanying Schedule, (3) General Provisions (Standard Form 32, October 1957 edition), which are incorporated herein by reference, and (4) such other contract provisions and specifications as are attached or incorporated by reference in the Schedule, will be received at the above office until 2:00 o'clock p.m., MST Time, August 27, 1958 (*date*) and at that time publicly opened, for furnishing the supplies or services described in the accompanying Schedule, for delivery f. o. b. DMEA, Executive Officer, 224 New Customhouse, Denver 2, Colorado

General information and instructions to bidders are contained in the terms and conditions on the reverse hereof.

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	QUANTITY (*No. of units*)	UNIT	UNIT PRICE	AMOUNT
1	Concentration of 36 samples				
2	Analysis of 36 concentrate samples				
3	Analysis of 3 concentrate samples				
	For details see "Continuation Sheet" and "Specifications" attached. Attached special terms and conditions of the invitation for bids are hereby made part of the contract.				

BID

DATE OF BID: August 27, 1958

In compliance with the above, the undersigned offers and agrees, if this Bid be accepted within 90 calendar days (*60 calendar days unless a different period be inserted by the bidder*) from the date of opening, to furnish any or all of the items upon which prices are quoted, at the price set opposite each item, delivered at the designated point(s) within the time specified in the Schedule. Discounts will be allowed for prompt payment as follows:

_____ percent, 10 calendar days; _____ percent, 20 calendar days; _____ percent, 30 calendar days.

BIDDER REPRESENTS: (*Check appropriate boxes*)

(1) That he ☒ is, ☐ is not, a small business concern. (*See definition on reverse hereof.*) If bidder is a small business concern and is not the manufacturer of the supplies bid upon, he also represents that all supplies to be furnished hereunder ☐ will, ☐ will not, be manufactured or produced by a small business concern in the United States, its Territories, its possessions, or the Commonwealth of Puerto Rico.

(2) That he is a ☐ regular dealer in, ☐ manufacturer of, the supplies bid upon.

(3) (*a*) That he ☐ has, ☒ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure this contract, and (b) that he ☐ has, ☒ has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (*a*) and (*b*) above as requested by the Contracting Officer.
(*For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Part 150.*)

(4) He operates as an ☐ individual, ☐ partnership, ☒ corporation, incorporated in the State of Colorado

NAME AND ADDRESS OF BIDDER (*Street, city, zone, and State. Type or print*)
Humphreys Engineering Company
818 Seventeenth Street
Denver 2, Colorado

SIGNATURE OF PERSON AUTHORIZED TO SIGN BID
→ E. L. Dailey

TYPE OR PRINT SIGNER'S NAME AND TITLE
Treasurer E.L. Dailey

AWARD

DATE OF AWARD

ACCEPTED AS TO ITEMS NUMBERED

AMOUNT $

UNITED STATES OF AMERICA

BY _____
Contracting Officer.

SUBMIT INVOICE FOR PAYMENT TO

ACCOUNTING AND APPROPRIATION DATA

PAYMENT WILL BE MADE BY

Award will be made on this Form, or on Standard Form 26, or by other official written notice.

16—60682-4

TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

1. PREPARATION OF BIDS.—(*a*) Bidders are expected to examine the drawings, specifications, Schedule, and all instructions. Failure to do so will be at the bidder's risk.

(*b*) Each bidder shall furnish the information required by the bid form. The bidder shall print or type his name on the Schedule and each Continuation Sheet thereof on which he makes an entry. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent must be accompanied by evidence of his authority.

(*c*) Unit price for each unit bid on shall be shown and such price shall include packing unless otherwise specified. A total shall be entered in the Amount column of the Schedule for each item bid on. In case of error in extension of price, the unit price will govern.

(*d*) Alternate bids will not be considered unless authorized by the Invitation.

(*e*) When not otherwise specified, bidder must definitely state time of proposed delivery.

(*f*) Time, if stated as a number of days, will include Sundays and holidays.

2. SUBMISSION OF BIDS.—(*a*) Bids and modifications thereof shall be enclosed in sealed envelopes addressed to the issuing office, with the name and address of the bidder, the date and hour of opening, and the invitation number on the face of the envelope. Telegraphic bids will not be considered unless authorized by the Invitation; however, bids may be modified by telegraphic notice provided such notice is received prior to the time set for the opening of the bids.

(*b*) Samples of items, when required, must be submitted within the time specified, and unless otherwise specified by the Government, at no expense to the Government. If not destroyed by testing, samples will be returned at bidder's request and expense, unless otherwise specified by the Invitation.

(*c*) In the event no bid is to be submitted, do not return the Invitation unless otherwise specified. However, a letter or post card should be sent to the issuing office advising whether future Invitations for the type of supplies or services covered by this Invitation are desired.

3. WITHDRAWAL OF BIDS.—Bids may be withdrawn by written or telegraphic notice (see 4 below).

4. LATE BIDS.—Bids and modifications or withdrawals thereof received after the time set for opening will not be considered, unless they are received before the award is made, and it is determined by the Government that failure to arrive on time was due solely to delay in the mails for which the bidder was not responsible.

5. GOVERNMENT-FURNISHED PROPERTY.—No material, labor, or facilities will be furnished by the Government unless otherwise provided for in the Invitation.

6. LABOR INFORMATION.—Attention is invited to the possibility that wage determinations may have been made under the Walsh-Healey Public Contracts Act providing minimum wages for employees engaged in the manufacture for sale to the Government of the supplies covered by this Invitation for Bids. Information in this connection, as well as general information as to the requirements of the Act concerning overtime payment, child labor, safety and health provisions, etc., may be obtained from the Wage and Hour and Public Contracts Divisions, Department of Labor, Washington 25, D. C. Requests for information should state the Invitation number, the issuing agency and the supplies covered.

7. DISCOUNTS.—(*a*) Prompt-payment discounts will be included in the evaluation of bids, provided the period of the offered discount is sufficient to permit payment within such period in the regular course of business under the delivery, inspection, and payment provisions of the Invitation and Bid.

(*b*) In connection with any discount offered, time will be computed from date of delivery of the supplies to carrier when delivery and acceptance are at point of origin, or from date of delivery at destination or port of embarkation when delivery and acceptance are at either of those points, or from date correct invoice or voucher is received in the office specified by the Government if the latter date is later than the date of delivery. Payment is deemed to be made, for the purpose of earning the discount, on the date of mailing of the Government check.

8. AWARD OF CONTRACT.—(*a*) The contract will be awarded to that responsible bidder whose bid, conforming to the Invitation for Bids, will be most advantageous to the Government, price and other factors considered.

(*b*) The Government reserves the right to reject any or all bids and to waive informalities and minor irregularities in bids received.

(*c*) The Government may accept any item or group of items of any bid, unless the bidder qualifies his bid by specific limitations. UNLESS OTHERWISE PROVIDED IN THE SCHEDULE, BIDS MAY BE SUBMITTED FOR ANY QUANTITIES LESS THAN THOSE SPECIFIED; AND THE GOVERNMENT RESERVES THE RIGHT TO MAKE AN AWARD ON ANY ITEM FOR A QUANTITY LESS THAN THE QUANTITY BID UPON AT THE UNIT PRICES OFFERED UNLESS THE BIDDER SPECIFIES OTHERWISE IN HIS BID.

(*d*) A written award mailed (or otherwise furnished) to the successful bidder within the time for acceptance specified in the bid shall be deemed to result in a binding contract without further action by either party.

9. SELLER'S INVOICES.—Invoices shall be prepared and submitted in quadruplicate unless otherwise specified. Invoices shall contain the following information: Contract and order number (if any), item numbers, description of supplies or services, sizes, quantities, unit prices, and extended totals. Bill of lading number and weight of shipment will be shown for shipments made on Government bills of lading.

10. DEFINITION OF SMALL BUSINESS.—Generally, a small business concern for the purpose of Government procurement is a concern that (1) is not dominant in its field of operation and, with its affiliates, employs fewer than 500 employees, or (2) is certified as a small business concern by Small Business Administration. (*See Code of Federal Regulations, Title 13, Part 103, as amended, which contains the detailed definition and related procedures.*)

* U. S. GOVERNMENT PRINTING OFFICE : 1957 O—448020

Bids will be considered under the following schedule. NO BID will be considered for only part of the schedule.

Item No.	Supplies or Services	Unit	Unit Price
1	Concentration of 36 samples of churn drill hole material	Job	$6,490.00
2	(a) Analyze 1/4 split of concentrate from each of above 36 samples for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report of the processing, including results of the analyses	Job	874.00
3	(a) Analyze 3 samples of previously concentrated material from test pits for content of tin, columbium-tantalum, tungsten, and gold. (b) Prepare report giving results of the analyses	Job	104.50
		TOTAL	$7,468.50

Specifications pertaining to the foregoing items 1, 2, and 3 are attached hereto and made a part of this Invitation to Bid.

SPECIFICATIONS

Item 1. - The sample material to be concentrated is from 18 churn drill holes, drilled through placer deposits in the Beaver Creek and Bear Creek Areas. The material, aggregating approximately 2-1/2 cubic yards, is in metal containers and each container is labeled with the Area, drill hole number, and sample interval. Many of the metal containers are not full and some contain considerable water. It will be necessary that the net volume of each sample be determined in advance of processing, as assay results are to be computed on the basis of cubic yard of material. See Exhibit "A", Schedule of Churn Drill Hole Samples, attached hereto, for listing of samples to be concentrated; and see Exhibit "B", Flow Sheet for Concentrating Churn Drill Hole Sample Material, attached hereto, for method of concentrating the samples.

Referring to Exhibit "A", Beaver Creek Area, the material from sample intervals 0-6 feet and 6-12 feet will be combined into a composite sample for concentration purpose. The material from the sample interval from 12 feet to bottom of hole will be concentrated as a separate sample. In the Bear Creek Area, sample material for separate concentration will be for the intervals of 0-6 feet and 6-12 feet.

Item 2. - The concentrates from each of the 36 samples, concentrated under Item 1, will be split into two equal portions; one portion of which is to be placed in a suitable container and reserved for subsequent use by the Government, each container to be properly labeled with the words, "Government," and the "Area," "Hole Number," and "Sample Interval" given. The other half of each concentrate split will be resplit two ways; one half will be placed in a suitable covered container labeled with the words, "Operator," and the "Area," "Hole Number," and "Sample Interval" given. The remaining one-fourth of the concentrates is to be used for analysis to obtain content of tin, columbium-tantalum, tungsten, and gold.

The report of the concentration and analyses must be submitted in triplicate and shall contain, in tabular form, the following information for each sample: Area, hole number, sample interval, volume of sample before concentration, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

Item 3. - The samples of concentrates to be analyzed are a one-half split of that derived from the beneficiation of placer gravel obtained from test pits. The samples are in canvas bags and are

labeled as follows, with applicable yardage of the original sample from which the concentrates were derived:

Area	Pit Number	Sample Interval	Cubic Yards
Beaver Creek	1	0 - 16-1/4 Ft.	12.975
Bear Creek	1	0 - 6-1/4 Ft.	3.390
Bear Creek	5 2	0 - 7 Ft.	4.309.

The report of the results of analyses must be submitted in triplicate and shall contain in tabular form the following information for each sample: Area, pit number, and assay value of contained tin, columbium-tantalum, tungsten, and gold.

General -

1. The project as heretofore outlined shall be identified as Docket No. DMEA 654, Contract No. Idm-E58. The report of analysis results shall be addressed to the Executive Officer, DMEA Field Team, Region III, Defense Minerals Exploration Administration, 224 New Customhouse, Denver 2, Colorado.

2. The work outlined under items 1, 2, and 3 above shall be completed so that the required report, in triplicate, will be forwarded, together with the "Government's" and "Operator's" splits of concentrates, so as to reach the above destination within ninety (90) calendar days from the date the confirming purchase order and the sample material were received by the successful bidder.

3. The material under items 1 and 3 is available for prebid inspection at the Denver Federal Center, and inspection can be arranged through John F. Shaw, Bureau of Mines, Building 20, Denver Federal Center, during the hours of 8:30 a.m. to 4:00 p.m. Monday through Friday.

4.* Bidder will designate location of its laboratory to which the material will be delivered by the Government. Costs of transporting the material from the Denver Federal Center to the bidder's laboratory will be considered in making the award.

*The material will be delivered to the successful bidder as soon as possible after award has been made.

Exhibit "A"

Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
1	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
2	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	4	12-19	12-19
3	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
4	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-19	12-19
5	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
6	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-16	12-16
7	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-18	12-18
8	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	2	12-17	12-17

Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

BEAVER CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	
	55 gal. drum	1	6-12	0-12
	55 gal. drum	1	12-17	12-17

BEAR CREEK AREA

1	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	15 gal. drum	2	6-12	6-12
2	55 gal. drum	1	0-6	
	15 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	
	40 gal. drum	1	6-12	6-12
3	15 gal. drum	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
4	15 gal. drum	1	0-6	0-6
	35 lb. can	2	6-12	6-12
5	35 lb. can	1	0-6	0-6
	15 gal. drum	1	6-12	6-12
6	55 gal. drum	1	0-6	0-6
	40 gal. drum	1	6-12	6-12
7	15 gal. drum	2	0-6	0-6
	15 gal. drum	1	6-12	
	50 lb. can	1	6-12	6-12
8	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

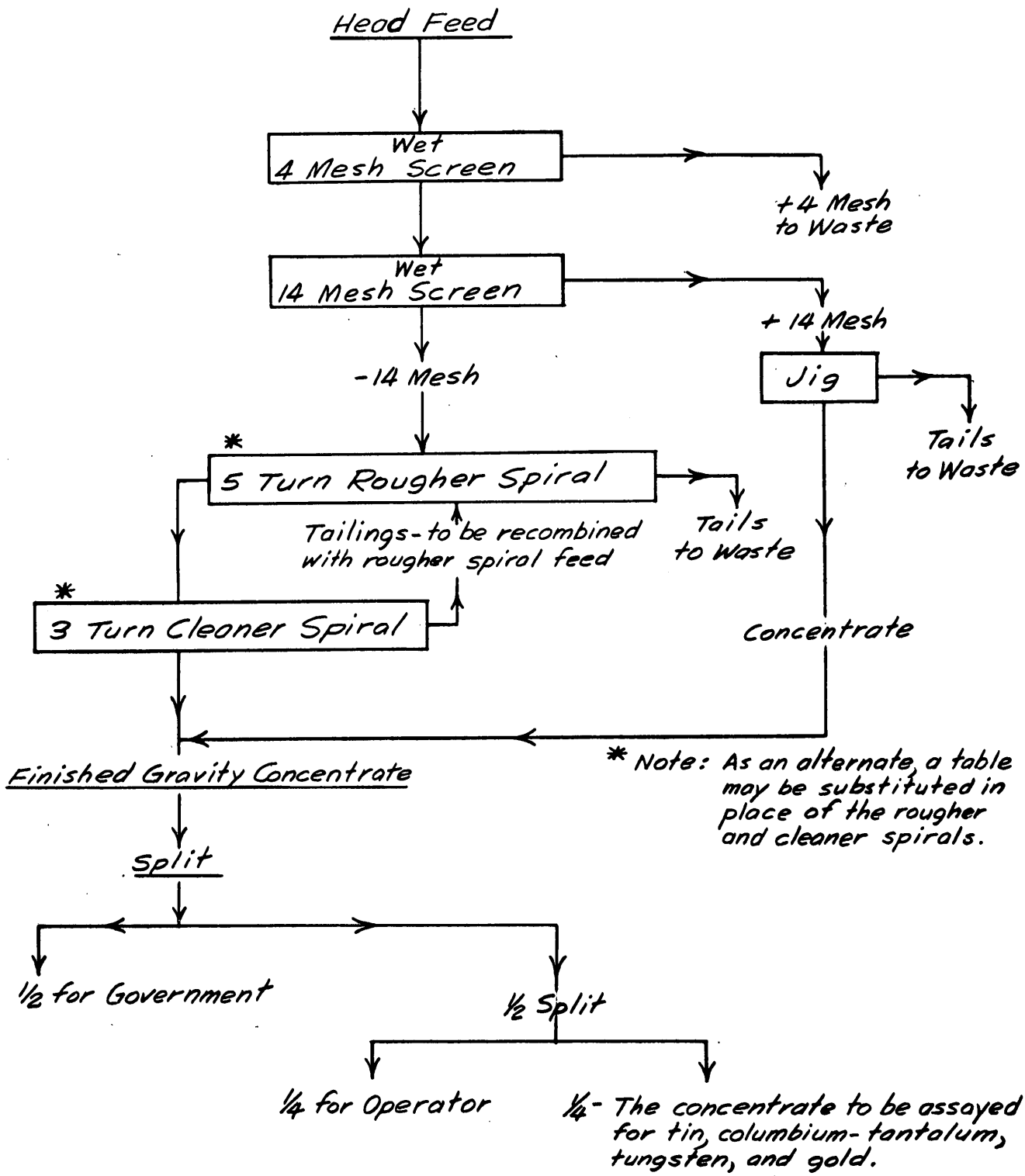
Exhibit "A" (continued)
Schedule of Churn Drill Hole Samples

BEAR CREEK AREA

Hole No.	Container Size	Container Number	Sample Interval (Feet)	Interval of Material to be Concentrated Separately
9	55 gal. drum	1	0-6	0-6
	55 gal. drum	1	6-12	6-12

EXHIBIT "B"

FLOW SHEET FOR CONCENTRATING CHURN DRILL HOLE SAMPLE MATERIAL



Standard Form 32, Oct. 1957 Edition
Prescribed by General Services
Administration Regulation I-II-209.00

GENERAL PROVISIONS

(Supply Contract)

1. DEFINITIONS

As used throughout this contract, the following terms shall have the meanings set forth below:

(*a*) The term "Secretary" means the Secretary, the Under Secretary, or any Assistant Secretary of the Department, and the head or any assistant head of the Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the Secretary.

(*b*) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.

(*c*) Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.

2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change: *Provided, however,* That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefor have been authorized in writing by the Contracting Officer.

4. VARIATION IN QUANTITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

5. INSPECTION

(*a*) All supplies (which term throughout this clause includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to acceptance.

(*b*) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*c*) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: *Provided,* That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

(*d*) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this

contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(*e*) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

6. Responsibility for Supplies

Except as otherwise provided in this contract, (i) the Contractor shall be responsible for the supplies covered by this contract until they are delivered at the designated delivery point, regardless of the point of inspection; (ii) after delivery to the Government at the designated point and prior to acceptance by the Government or rejection and giving notice thereof by the Government, the Government shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction, or damage results from the negligence of officers, agents, or employees of the Government acting within the scope of their employment; and (iii) the Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Government shall be responsible for the loss, or destruction of, or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of the Government acting within the scope of their employment.

7. Payments

The Contractor shall be paid, upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or, when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either $1,000 or 50 percent of the total amount of this contract.

8. Assignment of Claims

(*a*) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. Code 203, 41 U. S. Code 15), if this contract provides for payments aggregating $1,000 or more, claims for monies due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Notwithstanding any provisions of this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off. (*The preceding sentence applies only if this contract is with the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President pursuant to clause 4 of the proviso of section 1 of the Assignment of Claims Act of 1940, as amended by the Act of May 15, 1951, 65 Stat. 41.*)

(*b*) In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret," "Secret," or "Confidential," be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same: *Provided,* That a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

9. Additional Bond Security

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Government, or if any such surety fails to furnish reports as to his financial condition from time to time as requested by the Government, the Contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by this contract.

10. Examination of Records

(The following clause is applicable if the amount of this contract exceeds $1,000 and was entered into by means of negotiation, but is not applicable if this contract was entered into by means of formal advertising.)

(*a*) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(*b*) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding $1,000 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

11. Default

(*a*) The Government may, subject to the provisions of paragraph (*c*) below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances:

(i) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) if the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(*b*) In the event the Government terminates this contract in whole or in part as provided in paragraph (*a*) of this clause, the Government may procure, upon such terms and in such manner as the Contracting Officer may deem

appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Government for any excess costs for such similar supplies or services: *Provided,* That the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.

(*c*) Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(*d*) If this contract is terminated as provided in paragraph (*a*) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(*e*) If, after notice of termination of this contract under the provisions of paragraph (*a*) of this clause, it is determined that the failure to perform this contract is due to causes beyond the control and without the fault or negligence of the Contractor or subcontractor pursuant to the provisions of paragraph (*c*) of this clause, such notice of default shall be deemed to have been issued pursuant to the clause of this contract entitled "Termination for Convenience of the Government," and the rights and obligations of the parties hereto shall in such event be governed by such clause. (*Except as otherwise provided in this contract, this paragraph (e) applies only if this contract contains such clause.*)

(*f*) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

12. DISPUTES

(*a*) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(*b*) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (*a*) above: *Provided,* That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

13. NOTICE AND ASSISTANCE REGARDING PATENT INFRINGEMENT

The provisions of this clause shall be applicable only if the amount of this contract exceeds $5,000.

(*a*) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent infringement based on the performance of this contract of which the Contractor has knowledge.

(*b*) In the event of litigation against the Government on account of any claim of patent infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or service performed hereunder, the Contractor shall furnish to the Government, upon request, all evidence and information in possession of the Contractor pertaining to such litigation. Such evidence and information shall be furnished at the expense of the Government except in those cases in which the Contractor has agreed to indemnify the Government against the claim being asserted.

14. BUY AMERICAN ACT

(*a*) In acquiring end products, the Buy American Act (41 U. S. Code 10 a–d) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) a "domestic source end product" means (A) an unmanufactured end product which has been mined or

produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (*a*) (iii) (B), components of foreign origin of the same type or kind as the products referred to in (*b*) (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(*b*) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(i) which are for use outside the United States;

(ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or

(iv) as to which the Secretary determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.)

15. Convict Labor

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor.

16. Eight-Hour Law of 1912—Overtime Compensation

This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324–326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35–45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

17. Walsh-Healey Public Contracts Act

If this contract is for the manufacture or furnishing of materials, supplies, articles, or equipment in an amount which exceeds or may exceed $10,000 and is otherwise subject to the Walsh-Healey Public Contracts Act, as amended (41 U. S. Code 35–45), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

18. Nondiscrimination in Employment

(*a*) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.

(*b*) The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

19. Officials Not To Benefit

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

20. Covenant Against Contingent Fees

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

21. Utilization of Small Business Concerns

(*a*) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(*b*) The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

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DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SPECIAL TERMS AND CONDITIONS OF THE INVITATION FOR BIDS

Article 11. Standard Form 32, General Provisions (Supply Contract) prescribed by the General Services Administration, October 1957 edition, is incorporated herein by reference and made a part hereof and receipt of the form is hereby acknowledged. (A copy of Standard Form 32 is obtainable upon request.)

Article 12. Patents. The Contractor shall hold and save the Government, its officers, agents, servants, and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, article, process, appliance or apparatus manufactured or used by the Contractor in performance of this contract, including its subsequent use or disposal by or for the Government. Any patented invention, the use of which by this contract is required or permitted in the alternative to be used and which the United States has the right to use royalty free, shall be available to the Contractor without the payment of the royalty.

Article 13. Delivery. Time of delivery is important, and complete delivery at the specified destination is desired within the number of calendar days after date of receipt by the contractor of notice of award of contract as indicated on the face of Standard Form 33.

Bidders are required to state, in the space provided on the face of Standard Form 33, a definite period of time within which shipment will be made, and the time so stated, if in excess of the time desired, may be considered in making award of contract. If the bidder fails to insert the number of days in which shipment will be made, the bid will be considered upon the basis that shipment will be made within the desired period, and the bidder agrees to accept award on that basis.

Article 14. Comparison of bids. Whenever applicable, equalizing elements or factors not specifically mentioned or provided for herein, such as the cost of transportation, of installation, of inspection (including salaries, travel, and subsistence expenses), or of any other element or factor in addition to that of price which would affect the final cost to the Government, may be taken into consideration in making award of contract.

Article 15. Protests. If the contractor considers any work demanded of him to be outside of the requirements of the contract, or considers any record or ruling of the contracting officer or of the inspectors to be unfair, he shall immediately upon such work being demanded or such record or ruling being made, ask, in writing, for written instructions or decision, and upon receipt of such written instructions or decision, he shall proceed without delay to perform

the work or to conform to the record or ruling, and within thirty (30) calendar days after date of receipt of the written instructions or decision (unless the contracting officer shall grant a further period of time prior to commencement of the work affected) he shall file a written protest with the contracting officer, stating clearly and in detail the basis of his protest. Except for such protests as are made of record in the manner herein specified and within the time limit stated, the records, rulings, instructions, or decisions of the contracting officer shall be final and conclusive. Instructions and/or decisions of the contracting officer contained in letters transmitting drawings to the contractor shall be considered as written instructions or decisions subject to protest as herein provided.

Article 16. Bidder's qualifications. All prospective bidders are hereby notified that, before any bid submitted in response to this invitation is considered for award, the Government may require the bidder to submit a statement of facts in detail as to the previous experience of the bidder in performing similar or comparable work and of the business and technical organization and financial resources and plant of the bidder available and to be used in performing the contemplated work. The Government expressly reserves the right to reject any bid on which the facts as to business and technical organization, plant, financial, and other resources, or business experience, compared with the work bid upon, justify such rejection.

In the case of highly specialized or complicated equipment where prior satisfactory performance over a period of time under actual operating conditions is essential to establish the reliability of the equipment and where failure to operate properly could result in loss of life or serious property damage, the contracting officer may require the bidder to furnish evidence of satisfactory performance of comparable equipment over a sufficient period of time to insure the reliability of the equipment being offered.

Article 17. Late bids. (a) Metered mail.--No bid or modification thereof transmitted in a metered envelope received after the time set for opening will be considered, unless the envelope is stamped in the Post Office where mailed to show the date and hour of mailing and it is determined by the Government that nonarrival on time was due solely to delay in the mails for which the bidder was not responsible. If a metering device is used in stamping the envelope containing the bid, the bidder is responsible for assuring that the hour and date of posting are indicated on the envelope by Post Office cancellation. The time as shown by the Post Office cancellation will be considered as the hour and date of posting.

Article 18. Default. The following is added to Paragraph (c) of Clause No. 11 entitled "Default" of Standard Form 32, October 1957 Edition:

> "Whether the failure to perform arises out of default of either the prime contractor or his subcontractor the contractor shall, as a condition precedent to being relieved from excess costs for failure

to perform because of excusable delays, notify the contracting officer in writing of the cause of any such delay, within 30 days from the beginning thereof, or within such further period as the contracting officer shall, prior to the date of final settlement of the contract, grant for the giving of such notice. As soon as practicable after receipt of the contractor's notice of delay, the contracting officer shall ascertain the facts and extent of the delay, and extend the time for making delivery when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal, within 30 days, by the contractor to the Secretary or his duly authorized representative, under the Disputes Clause of this contract."

Article 19. Extras. The contractor shall, when ordered in writing by the contracting officer, perform extra work and furnish extra material, not required by the invitation or included in the schedule, but forming an inseparable part of the work contracted for. Extra work and material will ordinarily be paid for at the lump-sum or unit price stated in the order. Whenever, in the judgment of the contracting officer, it is impracticable, because of the nature of the work or for any other reason to otherwise fix the price in the order, the extra work and material shall be paid for at the actual necessary cost as determined by the contracting officer, plus an allowance, not to exceed 15 per cent of such actual necessary cost of the extra work and materials, for superintendence, general expense, and profit. The actual necessary cost will include all reasonable expenditures for material, labor (including compensation insurance and social security taxes), and supplies furnished by the contractor, and a reasonable allowance for the use of his plant and equipment, where required, but will in no case include any allowance for office expenses, general superintendence, or other general expenses.

Article 20. Federal, State, and local taxes. (a) As used throughout this paragraph, the term "tax inclusive date" means the date of negotiated contracts and the date set for the opening of bids for contracts entered into through formal advertising. As to additional supplies or services procured by modification to this contract, the term "tax inclusive date" means the date of such modification.

(b) Except as may be otherwise provided in this contract, the contract price includes all Federal, State, and local taxes and duties in effect and applicable to this contract on the tax inclusive date, except taxes (other than Federal transportation taxes) from which the Government, the contractor, or the transactions or property covered by this contract are then exempt. Unless specifically excluded, duties are included in the contract price, and, if freight is included in the contract price, Federal transportation taxes are likewise included.

(c) (1) If the contractor is required to pay or bear the burden (i) of any tax or duty, which either was not to be included in the contract price pursuant to the requirements of paragraph (b), or was specifically excluded from the contract price by a provision of this contract; or (ii) of an increase in rate of any tax or duty, whether or not such tax or duty was excluded from the contract price; or of any interest or penalty thereon, the contract price shall be correspondingly increased: Provided, That the contractor warrants in writing that no amount for such tax, duty or rate increase was included in the contract price as a contingency reserve or otherwise: And provided further, That liability for such tax, duty, rate increase, interest, or penalty was not incurred through the fault or negligence of the contractor or its failure to follow instructions of the contracting officer.

(2) If the contractor is not required to pay or bear the burden, or obtains a refund or drawback, in whole or in part, of any tax, duty, interest, or penalty which (i) was to be included in the contract price pursuant to the requirements of subparagraph (b), (ii) was included in the contract price, or (iii) was the basis of an increase in the contract price, the contract price shall be correspondingly decreased or the amount of such relief, refund, or drawback shall be paid to the Government, as directed by the contracting officer. The contract price also shall be correspondingly decreased if the contractor, through its fault or negligence or its failure to follow instructions of the contracting officer, is required to pay or bear the burden, or does not obtain a refund or drawback of any such tax, duty, interest, or penalty. Interest paid or credited to the contractor incident to a refund of taxes shall inure to the benefit of the Government to the extent that such interest was earned after the contractor was paid or reimbursed by the Government for such taxes.

(3) Invoices or vouchers covering any adjustment of the contract price pursuant to this subparagraph (c) shall set forth the amount thereof as a separate item and shall identify the particular tax involved.

(4) Nothing in this subparagraph (c) shall be applicable to social security taxes; net income taxes; excess profit taxes; capital stock taxes; Federal transportation taxes, except changes in the rate thereof, including repeal, pertaining to shipments from the contractor to the Government; unemployment compensation taxes; or any State and local taxes, except those levied on or measured by the contract or sales price of the services or completed supplies furnished under this contract, including gross income taxes, gross receipts taxes, sales and use taxes, excise taxes, or franchise or occupation taxes measured by sales or receipt from sales.

(5) No adjustment of less than $100 shall be made in the contract price pursuant to this subparagraph.

(d) Unless there does not exist any reasonable basis to sustain an exemption, the Government agrees upon request of the contractor, without

further liability except as otherwise provided in this contract, to furnish evidence appropriate to establish exemption from (i) any Federal tax, which the contractor warrants in writing was excluded from the contract price, or (ii) any State or local tax: Provided, That evidence appropriate to establish exemption from duties will be furnished, and Government bills of lading will be issued, only at the discretion of the contracting officer. In addition, the contracting officer may furnish evidence appropriate to establish exemption from any tax that may, pursuant to this paragraph, give rise to either an increase or decrease in the contract price.

(e) (1) The contractor shall promptly notify the contracting officer of all matters pertaining to Federal, State, and local taxes and duties that reasonably may result in either an increase or decrease in the contract price.

(2) Whenever an increase or decrease in the contract price may be required under this paragraph, the contractor shall take action as directed by the contracting officer, and the contract price shall be equitably adjusted to cover the costs of such action, including any interest, penalty, and reasonable attorney's fees.

NOTE: WHERE TRADE NAMES ARE USED IT IS FOR IDENTIFICATION ONLY.

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FOR ADDITIONAL INFORMATION CONTACT:

R. E. Babcock
Bureau of Mines
Denver, Colorado
Tel.: Keyston 4-4151, Ext. 8303

FINAL DISTRIBUTION
MADE OCT 7 1958

224 New Customhouse
Denver 2, Colorado
October 1, 1958

OFFICIAL RECORDS
RECEIVED OCT 10 1958
DATE | INITIALS
10/10 C 220
" 714 110
10/13 Returned 700

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, CMB Field Team, Region III

Subject: Docket No. DMEA 654X (Tin, Columbium-Tantalum, Tungsten)
Contract Idm-258, Northwest Refrans Minerals, Inc.,
(Rawlins Mining District) Lawrence County, South Dakota

Enclosed for purpose of clarification, are the original and four copies of Forms MF-104 and MF-104A, which have been prepared to reflect the costs incurred for transportation of churn drill samples from the Office of Minerals Exploration, Denver Federal Center, Denver, Colorado, to Denver Equipment Company, 1755 Blake Street, Denver, Colorado. Also enclosed are the original and four copies of the local cartage invoice from Bekins Van and Storage Co., dated September 11, 1958.

The obligation was incurred by CMB as authorized by the Washington office, by teletype of November 22, 1957, copy of which is enclosed; therefore, payment is to be made to Bekins Van and Storage Co. for the full amount claimed, $42.50. Of this amount, 90 percent is to be charged as Government contribution, and the remaining 10 percent held in suspense as a reimbursable item from the Operator. The amount will be deducted from moneys due the Operator, presently held in suspense, on final settlement of the account.

Following is a recapitulation of the status of project costs to date, with the exception of the transportation costs:

Acceptable costs to date, Phase I-------$19,000.00
Acceptable costs to date, Phase II------ 7,837.10
Total acceptable costs to date----$26,837.10

Government participation at 90 percent- $24,153.39
Total Reimbursement to Operator to date 23,267.59

Balance withheld pending final settlement---------- $ 885.70

The above amount withheld is reconciled as follows:

Paid Bekins Van & Storage Co.
$42.50

10/6/58 DMEA 59-46

Government's portion of acceptable cost for 6½ feet of test pit sinking previously disallowed from voucher for the period October 29, through November 23, 1955, but to be reinstated on receipt of analytical results, 90 percent of $156.25----------$140.62

Amount withheld in processing voucher for November 1955, and April 1956---------- 100.00

Government's portion of acceptable cost for the period October 4 through November 3, 1957------ 645.08

Total amount withheld----------$885.70

The amount withheld will be offset by 10 percent, the Operator's portion, of the costs of transportation of churn drill samples. The total cost of transportation of churn drill samples to date is as follows:

Transportation from project site to MFC, payment made August 19, 1958, to Buckingham Transportation, Inc.,-------$537.24

Transportation from MFC to Denver Equipment Company, payment to be made to Baking Van and Storage Co.,-------- 42.50

Total----------$579.74

In addition, project costs will be augmented by the costs of processing and analyzing churn drill samples, the cost of analyzing test pit concentrates, and possible additional allowable costs incurred by the Operator.

Final settlement of the account will be deferred pending the following:

1. Completion of processing of churn drill samples, and analysis of churn drill and test pit concentrates.

2. Receipt of a final report and final accounting from the Operator.

3. Release to this office of a Certificate and Report of Audit, or Report of Review of the reported project costs by an Auditor of the Office of Minerals Exploration.

Enclosures
JBC:hmh
cc: Chmn. Op. Comm. (2)
Marshall, OMX/MFC
MF-104 file, Reg. III
Harshman

Cooper
Chron

One signature by
E. N. HARSHMAN
E. N. Harshman

BEKINS VAN & STORAGE CO.
MOVING · STORAGE · PACKING · SHIPPING

Offices or Agents in all Principal Cities

SAN FRANCISCO, SACRAMENTO, PORTLAND, TACOMA, OMAHA, SIOUX CITY, CHICAGO, TULSA, OKLAHOMA CITY, SALT LAKE CITY, HOUSTON, SANTA BARBARA, DALLAS, FT. WORTH, PHOENIX, SAN DIEGO, LOS ANGELES, SEATTLE, VANCOUVER, SPOKANE, BOISE, DENVER

1888 SOUTH VALLEY HIGHWAY
DENVER 22, COLORADO

To: Bureau of Mines
224 New Custom House
Denver, Colorado

DATE 9-11-58

INVOICE NO. DEN 59 02

Net 1st Days - Interest charged after 30 days

Please return copy of this invoice with remittance

RE: Local cartage from Denver Federal Center to 1755 Blake Street, Denver 9-3-58

Cartage Ticket # 14606

2 Men and Van 4 1/4 hrs @ $10.00 hr $42.50
Total

RECEIVED
OCT 1 1958
SAFETY

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

RECEIVED OCT 10 1958 O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Transportation of Churn XXXXXXX Drill Samples XXXXXXX Docket No. DMEA 654X Contract No. Idm-E58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium, Tantalum, Tungsten

Address Belmont Plaza, Rm. 1011, Lex. Ave., at 49th, N.Y., N.Y.

Contract Amount, $ Government Participation: 90 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling	0	1742.50	1742.50			
Bulldozing						
Crosscutting						
Drifting						
Test Pits	0	787.50	787.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	0	2525.00	2525.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil	0	208.85	208.85			
Travel Expense	0	308.92	308.92			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	0	338.00	338.00			
Payroll Taxes						
Liability Insurance						
Meals & Quarters	0	784.98	784.98			
(8) Contingencies (specify):						
Trans. of Samples	42.50	537.24	579.74			
Other	0.00	1141.35	1141.35			
TOTALS	42.50	8374.34	8416.84	42.50	8,374.34	8416.84

Phase II

I certify that the above bill is correct and just and that payment therefor has not been received.

XXXXX XXXXXX

PREPARED AS A MATTER OF CLARIFICATION

XXX XXXXX

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hinchman Title acting Executive Officer Date OCT 1 1958

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED OCT 10 1958 O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Transportation of Churn Drill Samples

Docket No. DMEA 654X

Contract No. Idm-E58

Operator's Name Northwest Defense Minerals, Inc.

Minerals Tin, Columbium, Tantalum, Tungsten

Address Belmont Plaza, Rm. 1011, Lex. Ave., at 49th, N.Y., N.Y.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Churn Drilling	ft.			1742.50	348.5	5.00	1600	5.50
Test Pits	ft.			787.50	31.5	25.00	180	25.00
Supervision	Day			2525.00	37	50.00	100	50.00
Travel Exp.				308.92				1000.00
Meals & Qtrs.	Man/Day			784.98	231	3.40	687	8.00
Gas & Oil	No.			208.85			3½	100.00
Analyses	Spl.			338.00	6	56.33	89	25.00
Trans. Aux. of Samples		42.50		579.74 ✓				
Bulldozing				263.50 ✓				
Clean Drums				23.50				
Payroll Tax				28.00				
Labor				699.93 ✓				
Parcel Post				5.50				
Assay Report				10.00				
Truck Repairs				110.92				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		42.50		8416.84				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date ..... Operator .....

PREPARED AS A MATTER OF CLARIFICATION

REMARKS: Costs reported under "Costs This Month" are for transportation of churn drill samples from the Denver Federal Center to Denver Equipment Company. Payment is to be made directly to Bekins Van and Storage Company for the full amount of $42.50. Of the amount, 90 percent is to be charged as Gov't. contribution, and the remaining 10% held in suspense as a reimbursable item from the Operator, to be deducted from moneys presently held in suspense on final settlement of the account.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

FINAL DISTRIBUTION

MADE AUG 20 1958

[illegible] New Customhouse
Denver 2, Colorado
August 12, 1958

8/26 C 226
" 94 110
8/27 Knowell 700

Memorandum

To: T. A. Christensen

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 674X (Tin, Columbium, Tantalum, Tungsten) Contract Idm-858, Northwest Defense Minerals, Inc., Rawlins Mining District) Lawrence County, South Dakota

Enclosed for purpose of clarification, are the original and four copies of Forms MF-104 and MF-104A, which we have prepared, to reflect the costs incurred for transportation of 15,830 pounds of churn drill samples in their metal containers from the project site, to the Defense Minerals Exploration Administration, Denver Federal Center, Denver, Colorado, by commercial bill of lading which was converted to Government Bill of Lading No. 280954, which is attached to the original of Forms MF-104 and MF-104A.

The obligation was incurred by DMEA as authorized by the Washington Office, by teletype of November 22, 1957, copy of which is enclosed; therefore, payment is to be made to Buckingham Transportation, Inc., for the full amount claimed, $537.24. Of this amount 90 percent is to be charged as Government contribution, and the remaining 10 percent held in suspense as a reimbursable item from the Operator. The amount will be deducted from moneys due the Operator presently held in suspense on final settlement of the account.

Following is a recapitulation of the status of project costs to date, with the exception of the transportation costs:

Acceptable costs to date, Phase I	$19,000.00
Acceptable costs to date, Phase II	7,837.10
Total acceptable costs to date	$26,837.10
Government participation at 90 percent	24,153.39
Total reimbursement to Operator to date	23,267.59
Balance withheld pending final settlement	$ 885.70

The above amount withheld is reconciled as follows:

Government's portion of acceptable cost for 6½ feet feet of test pit sinking previously disallowed from voucher for the period October 29, through November 23, 1955, but to be reinstated on receipt of analytical results, 90 percent of $156.25	$140.62	
Amount withheld in processing voucher for November 1955, and April 1956	100.00	
Government's portion of acceptable cost for the period October 4 through November 3, 1957	645.08	
Total amount withheld		$885.70

The amount withheld will be offset by 16 percent of $534.24, the Operator's portion of the transportation costs. In addition, project costs will be augmented by the costs of processing and analyzing churn drill samples, the costs of analyzing test pit concentrates, and possible additional allowable costs incurred by the Operator.

Final settlement of the account will be deferred pending the following:

1. Execution of a suitable agreement to effect termination of the contract.

2. Processing of churn drill samples and analysis of churn drill and test pit concentrates.

3. Receipt of a final report and final accounting from the Operator.

4. Release to this office of an Audit Certificate and Audit Report, or Report of Review of the reported project costs by the Contract Administration and Audit Division, DMEA.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JBC:hsh

cc: Chem. Op. Comm. (2)
DMEA/RPG
MF-104 file, Reg. III
Hawthorn
Cooper
Chron

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Transportation of Churn ~~Bulldozer Drill Samples~~ Docket No. DMEA 654X Contract No. Idm-E58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium,

Address Belmont Plaza, Rm. 1011, Lex. Ave. at 49th, N.Y., N.Y. Tantalum, Tungsten

Contract Amount, $ Government Participation: 90 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		1742.50	1742.50			
~~Bulldozer~~ Test Pits		631.25	631.25			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services		2525.00	2525.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil		208.85	208.85			
Travel Expense		308.92	308.92			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		338.00	338.00			
Payroll Taxes						
Liability Insurance						
Meals & Quarters		784.98	784.98			
(8) Contingencies (specify): Trans. of Churn Drill Spls. from Project to Denver	537.24		537.24			
Other		1141.35	1141.35			
TOTALS	537.24	7680.85	8218.09	537.24	7837.10	8,374.34

I certify that the above bill is correct and just and that payment therefor has not been received.

Date ..... *Payee .....

PREPARED AS A MATTER OF CLARIFICATION

~~XXXX~~ ..... ~~XXXX~~ .....

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$537.24

Signature .....
(Authorized Certifying Officer)

Date 8/19/58 Voucher No. DMEA-59-1
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Checked for Engineering Allowability

Signature [illegible] Title Alternate acting Executive Officer Date AUG 1 2 1958

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Transportation of Churn Drill Samples

Month of ~~xxxxxxxxxxxxxxxxxxxx~~ 195 Docket No. DMEA 654X Contract No. Idm-E58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium, Tantalum, Tungsten

Address Belmont Plaza, Rm. 1011, Lex. Ave. at 49th, N.Y., N.Y.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drilling Churn Drill.	ft.			1742.50	348.5	5.00	1000	5.50
Operating Test Pits	ft.			631.25	25.25	25.00	180	25.00
Rainier Superv.	day			2525.00	37	50.00	100	50.00
Shelter Travel Exp.				308.92				1000.00
Wines Meals & Qtrs.	Man/day			784.98	231	3.40	637	8.00
Drillers Gas & Oil	Mo.			208.85			3½	100.00
Assay Analyses	Spl			338.00	6	56.33	89	25.00
(Trans. Of Samples		537.24		537.24				
Stevens Bulldozing				263.50				
Transbins Clean. drums				23.50				
Test Pits Payroll tax				28.00				2000.00
Roads and Trails Labor				699.93				
Parcel Post				5.50				
Assay report				10.00				
Truck repairs				110.92				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		537.24		8218.09				

Contingencies

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date ..... Operator .....

PREPARED AS A MATTER OF CLARIFICATION

Per ~~xxx~~ ..... Title ~~xxxx~~ .....

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS: Costs reported under "Costs This Month" are for transportation of Churn Drill samples from project site to DMEA in Denver. Payment to be made directly to Buckingham Trans. Inc., for the full amount of $537.24. Of the amount, 90% is to be charged as Gov't. contribution, and the remaining 10% held in suspense as a reimbursable item from the Operator, to be deducted from moneys presently held in suspense, on final settlement of the account.

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DMEA
DEPARTMENT OF THE INTERIOR
NOV 25 1957
REGION III
DENVER, COLORADO

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Nov. 21, 1957

Re: Docket No. DMEA-654
(Tin, Columbium-tantalum, tungsten)
Contract No. Idm-E58
Northwest Defense Minerals, Inc.
Keenan Properties
Lawrence County, South Dakota

Dear Mr. Harshman:

This refers to our teletypes, dated November 5 and 15, 1957, regarding the action to be taken in connection with the subject project.

Please advise when the excavated material from all drill holes and the sample splits recovered from all the test pits have been delivered to the Government. When the material is delivered, we propose to draft a termination agreement in which there will be included an extension of time (until November 1, 1957) to complete the processing of excavated material from the test pits; also, a period of four months, or until March 1, 1958, will be allowed to complete the analyses of the sample splits recovered from the test pits.

In the meantime, please proceed to process the Operator's MF-104 and MF-104A for the work performed, but you should not make any payment for the work until the termination agreement is signed by the Operator. Also, in this connection, you should withhold funds for the Operator's final report.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Eilogoard
Member, Geological Survey

Copies distr. to
Hoisleman
Townsend
DMEA, TFC

Carnes file

SEP 2

DATE		EXPENSE CODE
9/2	C	U 220
"	767	110
9/2	Kusiac	700

FINAL DISTRIBUTION

MADE AUG 27 1958

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

Administrative Audit Difference Statement

[redacted]

Date: [redacted]
Payee's Reference: [redacted]

[redacted]

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ [redacted]

Difference $ [redacted]

Amount Approved $ [redacted]

The reason for the difference was due to:

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-III-B & F Form No. 4
4-15-52 D

1. Execution by the parties to the contract of a suitable agreement to terminate the contract in its present status without requiring performance of the balance of work provided for.

2. Processing and analyzing chuck drill samples, and analyzing test pit concentrates.

3. Rendering to the Government by the Operator of a final accounting and final engineering and geologic report as required under Article 14, of the contract form.

4. Release to this office of an Audit Certificate and Audit Report, or Report of Review of the reported project costs by the Contract Administration and Audit Division, DMA.

Reconciliation with Amount Reported by the Operator on Form MP-104 for the period, October 4, 1957, through November 3, 1957

Amount reported on Form MP-104 for Oct. 4 - Nov. 3, 1957	$995.92	
Amount disallowed	279.17	
Acceptable cost for reporting period	$716.75	
Amount previously disallowed from October 29 - November 22, 1957, voucher but subject to reinstatement upon receipt of analytical results; 6½ feet of test pit sinking at $25.00 per foot	156.25	
Total acceptable costs		$873.00
Government participation at 90 percent		785.70
Amount withheld		785.70
Balance		0.00

Recapitulation of Amounts Withheld

Amount withheld in processing voucher for November 1955 and April 1956	100.00
Amount withheld from current voucher	785.70
Total amount withheld to date	885.70

[illegible] New Customhouse
Denver 2, Colorado
August 12, 1958

Memorandum

To: T. A. Christensen

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Project No. DMEA 69X (Tin-Columbium-Tantalum-Tungsten) Contract 14s-[illegible], Northwest Refining Minerals, Inc., (Rawlins Mining District) Lawrence County, South Dakota, Operator's Monthly Progress Report for the period, October 4, 1957 through November 3, 1957 - (NO PAYMENT)

Enclosed are the original and four copies of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the same period.

Except as otherwise indicated below, we consider that the Operator has complied with the terms of the contract and the work is acceptable to the Government. We recommend that the voucher be processed on the following basis, contingent on your verification of applicable rates and arithmetical accuracy of computations and also subject to subsequent audit or review by the Contract Administration and Audit Division, DMEA.

Disallowance, Labor

All of the labor reported on the voucher was expended in connection with the processing of material from the test pits. The Operator has been reimbursed for the maximum allowable unit cost for all test pit work approved to date; therefore, the reported costs for labor are to be disallowed.

Disallow reported cost for labor---------- $279.17

Amount to be Withheld

The entire amount of reimbursement for the Government's share of the acceptable costs for the period, October 4, through November 3, 1957, is to be withheld pending resolution of the following matters:

1. Execution by the parties to the contract of a suitable agreement to terminate the contract in its present status without requiring performance of the balance of work provided for.

2. Processing and analyzing churn drill samples, and analyzing test pit concentrates.

3. Rendering to the Government by the Operator of a final accounting and final engineering and geologic report as required under Article 14, of the contract form.

4. Release to this office of an Audit Certificate and Audit Report, or Report of Review of the reported project costs by the Contract Administration and Audit Division, RMMA.

<u>Reconciliation with Amount Reported by the Operator on Form MF-164 for the period, October 4, 1957 through November 3, 1957</u>

Amount reported on Form MF-164 for Oct. 4 - Nov. 3, 1957	$995.92	
Amount to be disallowed	279.17	
Acceptable cost for reporting period	$716.75	
Amount previously disallowed from October 29 - November 28, 1955 voucher but subject to reinstatement upon receipt of analytical results; 6¼ feet of test pit sinking at $25.00 per foot	156.25	
Total acceptable costs		$873.00
Government participation at 90 percent		785.70
Amount to be withheld		785.70
Balance		$ 0.00

<u>Recapitulation of Amounts Withheld</u>

Amount withheld in processing voucher for November 1955 and April, 1956	100.00
Amount withheld from current voucher	785.70
Total amount withheld to date	$885.70

Enclosed are one copy each of a relative letter dated November 21, 1957, from the Chairman, Operating Committee, and Teletype of November 22, 1957, from the Acting Chairman, Operating Committee.

Remarks:

Date of Report ---------- January 2, 1957 (1958)
Date Received in Field Office ---------- January 21, 1958
Date Received in Region Office ---------- March 6, 1958

Original Signed
J. W. TOWNSEND

J. W. Townsend

Enclosures

JWC:hsk

cc: Chm. Op. Comm. (2) } w/copy of complete
DRMA/MC } report and relative W.O.
MF-1C4 file, Reg. III } ltr. and TT

Barnhman } w/copy of Mgr's report, and relative
Conger } W.O. ltr. and TT
Shrum

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

BUILDING 20
DENVER FEDERAL CENTER
DENVER 2, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
JAN 22 1958
REGION III
DENVER, COLORADO

January 21, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: E. O. Binyon

Subject: Docket DMEA 654X (Tin, Columbium, Tantalum, Tungsten)
Contract Idm-258, Northwest Defense Minerals, Inc.
(Rawlins Mining District) Lawrence County, South Dakota
Progress report for October 4 - November 3, 1957

According to the operator's report, 15.106 cubic yards of gravel from the Beaver Creek test pit and 7.699 cubic yards from the test pits No. 1 and No. 2 on Bear Creek were washed and concentrated during the subject period. The yardage from No. 1 and No. 2 test pits (Bear Creek) mounted to 3.39 and 4.309 cubic yards respectively.

In checking the MF-104 and MF-104A forms and documentation of expenditures, it is noted that for the $30.71 charged for gas and oil, there are no service station slips and only $9.21 is supported by photostats of cancelled checks and a statement by the engineer that the total amount has expended. It is believed that the expenditure is properly documented and it is recommended that the amount be allowed. The operator has charged $279.17 for labor under the Contingency item and has documented this charge only by a listing of the men, hours worked and pay rates per hour with the total wages. This documentation is certified by the engineer. The labor was used for processing; moving samples from lines to the processing equipment, handling of the samples through the flow sheet for the processing tests and handling of waste and concentrates. There was no need for labor for any other purpose. Under the terms of the Contract, the total prices per foot of $5.50 for churn drilling and $25.00 per foot for test pitting included washing excavated material, concentrating contained tin, tantalum, columbium tungsten, gold and other minerals or metals and separating the face gold from the concentrates. Therefore, the claim for labor although under Contingencies is not allowed and the amount is deducted from the total amount claimed.

As the results of the test are incomplete as of this date, only the amount of gold having been reported, it is suggested that payment for 6-1/4 feet of test pitting (Bear Creek) continue to be withheld.

The Government's share at 90 percent participation of the amount claimed less the charge for labor ($995.92-279.17) or $716.75 amounts to $645.08. It is recommended that the full amount $645.08 be withheld pending receipt of the results of the processing test and a final report by the operator.

The Contract expired October 1, 1956.

E. O. Bizyon
Mining Engineer

cc 6
Idm-E58
Chron

EOB:ph

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Report 4.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November 3, 1957 (October 4, 1957 through) Docket No. DMEA 654 X Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium, Tantalum, Gold

Address Spearfish, South Dakota

Contract Amount, $ 29,931. Phase II Government Participation: 90 % Amount, $100,000.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Churn		1742.50	1742.50			
Bulldozing						
Crosscutting						
Drifting						
Test Pits		631.25	631.25	156.25	Previously Disallowed	
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	675.00	1850.00	2525.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas & Oil	30.71	178.14	208.85			
Travel Exp.		308.92	308.92			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		338.00	338.00			
Payroll Taxes						
Liability Insurance						
Meals & Quarters	11.04	773.94	784.98			
(8) Contingencies (specify):						
Labor	279.17	disallowed				
Itemized on MF104 A		1141.35	1420.52			
TOTALS $ 716.75	995.92	6964.10	7960.02	873.10	6,964.10	7,837.10

DMEA
DEPARTMENT OF THE INTERIOR
JAN 3 - 1958
REGION III
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Jan. 2, 1957 *Payee Northwest Defense Minerals Inc.

Per Peggy Keenan Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ No Payment

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

Withheld 785.70

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 58 in accordance with the terms of the contract.

Signature C. D. Bingon (# 645.08) Title Mining Engineer Date January 21, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature J. W. Fernwald Title alternate acting Executive Officer Date AUG 12 1958

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Report 4.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 4, 1957 through Nov. 3 7 195

Docket No. DMEA 654 X

Contract No. Idm E 58

Operator's Name Northwest Defense Minerals, Inc.

Address Spearfish, South Dakota

Minerals Tin, Columbium, Rantalum, Gold

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting Churn drilling	ft			1742.50	348.5	5.00	1600	5.50
Crosscutting Test Pits	ft			631.25	25.25	25.00	180	25.00
Raising Supervision	day	675.00		2525.00	37.	50.00	100	50.00
Shafts Travel Expense				308.92				1000.00
Winzes Meals & quarters	mO/day							
Drilling: Core		11.04		784.98	231.	3.35	687	8.00
Churn Gas & Oil		30.71		298.85			3 1/8	100.00
Auger Analysis				338.00	6	56.33	89	25.10
Stripping Contingencies Bull doz.				(263.50)				( )
Trenching Clean Drums				(23.50)				( )
Test Pits Payroll tax				(28.00)				(2000.00)
Roads and Trails Labor		(279.17)		(979.10)				( )
Parcel post				(5.50)				
Assay Report				(10.00)				
TOTAL DISTRIBUTED COSTS Truck repairs				(110.92)				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		995.92		7960.02				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Jan 2 1958 Operator Northwest Defense Minerals Inc

Per Peggy Keenan Title Treasurer

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS:

(For Government use only)

E Bunyon
$279.17 for labor not allowed

DMEA
DEPARTMENT OF THE INTERIOR
JAN 3 - 1958
REGION III
DENVER, COLORADO

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

DMEA
DEPARTMENT OF THE INTERIOR
NOV 25 1957
REGION III
DENVER, COLORADO

PROGRESS REPORT #4

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT #654X PROJECT Idm E-58

Placer Gravel Concentration

Commencing October 14, 1957 and lasting through November 8, 1957 work was carried on under the supervision of the undersigned. 22.805 cubic yards of placer gravel, which had been excavated from test pits on Beaver and Bear Creeks in October and November 1955 was washed and concentrated. This gravel had been stored under cover in bins at the Northwest Defense Minerals Inc., plant in South Dakota. Each bin was measured. The gravel contents of the bins was as follows.

(a) Balance of Beaver Bedrock Gravel remaining in bin from November 1955 test.	2.131	cu. yd.
(b) Bin marked Beaver #3	7.115	" "
(c) Bin marked Beaver #2	3.220	" "
(d) Bin marked Beaver #1	2.540	" "
	15.106	" "
(e) Bin marked Bear #2	4.309	" "
(f) Bin marked Bear #1	3.390	" "
	7.699	" "

Mill Process Used to Recover Concentrates

As previously outlined in progress report #1 the undersigned planned to reduce the gravel samples to concentrate form suitable for assaying.

The equipment used in producing the concentrates consisted of the following. Denver Mechanical Gold Pan, with washing section consisting of punched steel plate, 5/8" round holes; 1½" sand pump;

Humphrey Spiral; Denver 4" x 8" Mineral Jig. The Denver Gold Pan was fitted with a 14 mesh shaker screen, which was used as a classifier to supply the minus 14 mesh sand to the Humphrey spiral.

All of the placer gravel stored in the bins was hand shoveled into the Denver Concentrator. A water pump, an integral unit on the Denver Concentrator supplied wash water under pressure. After washing, all plus 3/8" material was hand shoveled to waste. All minus 3/8" sands were concentrated in the Denver machine. The original 1/8" screen supplied with the Denver Concentrator was removed and was not used. This allowed all of the minus 3/8" sands to fall directly onto tray #1. Tray #1 was fitted with a copper tray. No mercury was used on the tray. From tray #1 the minus 3/8" sands passed to tray #2 and then to tray #3. Trays #2 and #3 were bottomed with rough rubber blankets. From tray #3 the minus 3/8" sands were passed over the 14 mesh shaker screen mounted on the discharge lip of the Denver Concentrator. The plus 14 mesh sand, after concentration overflowed to waste. All minus 14 mesh sand was pumped to a full size Humphrey Spiral. The concentrate splitters on the spiral were adjusted to cut a wide band out of the concentrate stream. The rougher spiral concentrates were subsequently re-run over the spiral to reduce the volume of concentrate.

Six runs were made on the stored placer gravel. Each bin was treated as a separate sample. The purpose, to determine the mineral content of the various horizons sampled during the excavation phase of the project. The concentrating machinery was thoroughly cleaned up after each run. The concentrates recovered from each run was placed in wash tubs and was transported to Spearfish, South Dakota.

Each run of rougher Denver Gold Pan concentrates produced weighed approximately 100 pounds. At Spearfish, where city water and electricity was available it was possible to finish the concentrating under more favorable conditions than at the Northwest Defense Minerals Inc., mill. At Spearfish the samples were hand fed to a 4" x 6" Denver Mineral Jig. Each run produced a quantity of hutch concentrate as well as a jig bed concentrate. After each run the jig bed was panned, the steel shot bedding being removed with a magnet. The heavy minerals meraining after panning were labeled jig bed concentrates.

Each jig concentrate sample was bottle and pan amalgamated to recover the free gold values.

The following table gives the weights of the concentrates produced.

Sample	Measured yds placer gravel	Concentrates Produced				
		Jig hutch grams	Jig bed grams	Spiral pounds	Gold mg.	gold value Cu. yd.
Beaver Bedrock	2.131	1991	214	138.75	700.84	$32 9/10
Beaver #3	7.215	752.5	390.8	130	1992.40	$27 8/10
Beaver #2	3.220	321.2	260.2	73.5	883	$27 4/10
Beaver #1	2.540	508	138	25	344	$13 5/10
Bear #2	4.309	1258.5	693	208	154.6	$3 59/100
Bear #1	3.39	335.0	313.5	127	174	$5 14/100

Observations

Periodic pan tests were made of the tailings to check the recovery of concentrates. No visible black sand was observed in the tailings.

The feed to the Denver Concentrator was approximately ½ cubic yard per hour. This is well below the rated capacity of the machine which is rated at 1 1/2 to 2 yards of bank run gravel per hour. It was deemed

advisable to maintain the feed at a low level to insure adequate washing and concentrating action. The Beaver and Bear gravels contain a high percentage of fine sands as compared with other Black Hills placer gravels tested by the undersigned.

Of interest is the fact that approximately 75% of the gold recovered had been previously amalgamated with mercury. Considerable tramp metal consisting of tacks, nails, small pieces of wire, bolts, nuts, lead shot, bullets, and miscellaneous bits of metal was recovered during the concentrating tests.

This indicates that prior work has been done in the area. It is assumed that the large quantity of heavy black sand contained in the Beaver and Bear creek gravels is responsible for the high gold loss by the early day hand shovel and sluice box operators. No attempt to recover the minerals contained in the heavy sands was made by the early pioneers. Their interest was only for the placer gold contained in the stream gravels.

Beaver Creek Test Pit

15.108 cu. yd. of gravel was concentrated during the October 1957 test. 3920.24 mg. of free gold was recovered by amalgamating the concentrates. Estimating the value at $1.00 per gram, the value would be $3.92 or 26¢ per cubic yard.

Bear Creek Test Pit

7.699 cu. yd. of gravel was concentrated during the October 1957 test. 328.6 mg. of free gold was recovered. Assuming the same value per mg. the total value would be 32 86/100 ¢ or 4 27/100¢ per cubic yard.

Samples

After amalgamation all jig samples were dried and weighed, rolled on apaper sheet and were split into equal parts. One half of each sample will be retained for assay by Northwest Defense Minerals Inc; the other half to be sent to the D. M. A. agency. All concentrate samples were placed in polyethylene clear plastic bags. Identification tags were placed inside of each bag. All bags were also tagged externally. The free gold samples were also equally split as near as possible and placed in individual glass vials. Each vial was tagged for identification.

The Humphreys spiral samples saved for assay and submitted to Northwest Defense Minerals Inc. and D. M. A. weigh 500 grams each. Approximately 700 pounds of spiral concentrates were produced from all six test runs. Represenative splits were made from each run and should represent the values contained therein.

R. M. Atwater Jr.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DMEA
DEPARTMENT OF THE INTERIOR
NOV 25 1957
REGION III
DENVER, COLORADO

NOV 21 1957

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-654
(Tin, Columbium-tantalum, tungsten)
Contract No. Idm-E58
Northwest Defense Minerals, Inc.
Keenan Properties
Lawrence County, South Dakota

Dear Mr. Harshman:

This refers to our teletypes, dated November 5 and 15, 1957, regarding the action to be taken in connection with the subject project.

Please advise when the excavated material from all drill holes and the sample splits recovered from all the test pits have been delivered to the Government. When the material is delivered, we propose to draft a termination agreement in which there will be included an extension of time (until November 1, 1957) to complete the processing of excavated material from the test pits; also, a period of four months, or until March 1, 1958, will be allowed to complete the analyses of the sample splits recovered from the test pits.

In the meantime, please proceed to process the Operator's MF-104 and MF-104A for the work performed, but you should not make any payment for the work until the termination agreement is signed by the Operator. Also, in this connection, you should withhold funds for the Operator's final report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thos. B. Nolan
Member, Geological Survey

224

P. B. A. TELETYPE CENTER
NOV 22 3 25 PM '57
DENVER, COLO.

WYB071-DN WAF 35 I-BOM

WASHINGTON DC 11-22-57 1650R

E N HARSHMAN ACTING EXECUTIVE OFFICER DMEA FIELD TEAM

REGION 3 224 NEW CUSTOMHOUSE BLDG DN

REURPHONE CALL MARTIN NOVEMBER 21, DMEA 654 NORTHWEST DEFENSE MINERALS INC. TTHIS AUTHORIZES FIELD TEAM TO TRANSPORT FROM PROPERTY TO QUALIFIED INDEPENDENT LABORATORY EIGHTY DRUMS OF MATERIAL EXCAVATED FROM DRILL HOLES. ALSO TO PROCESS MATERIAL AND ANALYZE ONE COMPOSITE CONCENTRATE SAMPLE FROM EACH DRILL HOLE AS IS DESCRIBED IN SAID CONTRACT. CHARGE ALL EXPENSE FOR THE WORK TO PROJECT CONTRACT ACCOUNT. SUGGEST OBTAINING APPROPRIATE BIDS FOR WORK FROM COLORADO SCHOOL OF MINES, SOUTH DAKOTA SCHOOL OF MINES, DENVER EQUIPMENT COMPANY, AND HUMPHREY EQUIPMENT COMPANY. REURMEMO NOVEMBER 18 GOVERNMENT WILL CONTRIBUTE TO COST OF ANALYZING ONLY ONE COMPOSITE CONCENTRATE SAMPLE FROM EACH TEST PIT. PLEASE FOLLOW INSTRUCTIONS OURLET NOVEMBER 21 REGARDING PAYMENT

W S MARTIN ACTING CHAIRMAN OPERATING COMMITTEE

21 DMEA 654 18 21

FAC 1654R

11/22/57
Copies distributed to:
Harshman
DMEA/DFC (Bingen)
Townsend

7/3/56

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
JUL 2 - 1956

224 New Customhouse
Denver 2, Colorado

June 28, 1956

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 654X (Tin, Columbium, Tantalum, Tungsten) Contract Idm-E58, Northwest Defense Minerals, Inc., (Rawlins Mining District) Lawrence County, South Dakota

Enclosed is one complete copy of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the period November 23, 1955-April 15, 1956.

Also enclosed is one copy of Form MF-104, Operator's Monthly Report and Voucher. The balance of the data for this set was forwarded by memorandum of June 12, 1956.

W. M. Traver

W. M. Traver

Enclosures

Dma 56-127

FINAL DISTRIBUTION
MADE JUN 27 1956

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

RECEIVED
JUL 2 - 1956

Department Defense Administrative Audit Difference Statement 6/26/56
220 East 10th Street
New York City, New York

Date: Nov. 1955
Payee's April 1956
Reference:

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 600.12

Difference $ 00.00

Amount Approved $

Disallow: The reason for the difference was due to:

1. An amount of $35.12 claimed under item (1) "Will be processed" the bill has been header is an integral part of the test pit work, and payment has been made for all properly approved test pitting.

2. An amount of $35.00 claimed under item (b) "Rental of Dumping Barrel, Per Chamber and Prorated Amount". There is no provision in the contract for rent of this equipment, except that the rental may be included as a part of the test pitting cost.

Withhold: An amount of ($100.00) pending the approval of additional work under the contract or pending resolution of matters relative to closing the account.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

RRO

For N. E. Stokes
Audit Section

R-III-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
JUL 2 - 1956

224 New Customhouse
Denver 2, Colorado

June 23, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 654X (Tin, Columbium, Tantalum, Tungsten) Contract Idm-E58, Northwest Defense Minerals, Inc. (Rawlins Mining District) Lawrence County, South Dakota - Operator's Monthly Progress Report for the period November 23, 1955-April 15, 1956

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

It is deemed that the Operator has complied with the terms of the contract, and the work for which payment is recommended is acceptable to the Government. We recommend that payment be made to the Operator on the following basis contingent on your verification of applicable rates and arithmetical accuracy of computations, and also subject to subsequent audit by the Contract Administration and Audit Division, DMEA.

Disallow 1) an amount of $325.12, the amount claimed under Item (1) "Mill Run Process." The Mill Run Process is an integral part of the test pit work, and payment has been made to the Operator for all presently approved test pitting.

2) an amount of $325.00, the amount claimed under Item (4) "Rental of Humphrey Spiral, Derr Classifier and Trommel Screen." There is no provision in the contract for rental of this equipment, except that the rental may be included as a part of the test pitting cost.

Total Amount Disallowed $650.12

Withhold the amount of $100.00 pending the approval of additional work under the contract, or if no further work is approved by the Government and performed by the Operator, continue to hold the above amount pending resolution of matters relative to closing the account.

Reconciliation with Amount Reported by the Operator on Form MF-104A for the period Nov. 23, 1955 to April 15, 1956

Amount reported on Form MF-104	$1,548.12
Amount disallowed	650.12
Total accepted costs	$ 898.00
Government participation at 90 percent	$ 808.20
Amount withheld	100.00
Balance due the Operator	$ 708.20

Note: Due to an arithmetical error, the "Monthly Total" and "Total to Date" on Form MF-104, and the "Costs this Month" and "Costs to Date" on Form MF-104A are in error by the amount of $0.12. Costs reported for the period on Form MF-104 actually total $1,548.12 instead of $1,548.00 as shown on the form. Payment recommended above is for approved work, the cost of which is documented.

Remarks

Date of Report	April 21, 1956
Date Received in Field Office	May 8, 1956
Date Received in Region Office	May 14, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E58
Sec. Op. Comm. (2)
Shaw (2)
Townsend w/copy of engr's report
Cooper
Chron.

DMEA
Date Rec'd.

MAY 14 1956

BUREAU OF MINES
Denver, Colorado

May 11, 1956

RECEIVED
JUL 2 - 1956

Memorandum

To: [illegible] Director, Executive Officer, DMEA Field Team, Div. III

From: [illegible] Minyen, Rapid City, S. Dak.

Subject: Docket DMEA 6[illegible] (Tin, columbium-tantalum, tungsten), Contract Idm-[illegible], Northwest Defense Minerals, Inc., Lawrence County, S. Dak. - Operator's Monthly Progress Report for the period Nov. 2[illegible], 19[illegible] - April 1[illegible], 1956

Transmitted herewith are the original and four copies of the following:

1) Operator's [illegible]-10[illegible] and [illegible]-10[illegible]A

2) Operator's Narrative Report, with copies of reports of analysis on six samples and a copy of a report on mineralogical examination. Also attached to the report are five prints of a map of Beaver Creek showing churn drill holes and Test Pit No. 1 (Beaver Creek) with an attached sheet of analyses.

3) Bureau Engineer's Narrative Report.

Also enclosed are four extra copies of the Bureau Engineer's report and the following:

1) A note from Mr. Harry Keenan concerning prices for rental of classifier and trommel screen.

2) Letter of transmittal from the operator.

3) Invoices from F. A. Atwater, Jr. for $[illegible]. Office technical services on progress report 2, Dec. 26-27, 19[illegible]; maps for report 2, January 2-3, 1956 and for report 3, March 5 through [illegible] and March 12-13, 19[illegible].

4) Invoices from Lucius Pitkin, Inc. for $[illegible] covering analytical work on six samples and $[illegible] for preparation of extra copies of records.

5) Copy of letter [illegible] Lucius and Company requesting prices on analytical work.

c) Letter from Walker and Hyde, Inc., quoting prices for assaying.

d) Invoice from New Era Mining Co. for $200.0 for rental of equipment: Humphrey Spiral, sand pump, power unit and Hercules 4" x 6" mineral jig.

Due to the preparation of Report No. 3 and the accompanying maps and preparation of maps for Report No. 2, the work for which payment is claimed was completed prior to January 1, 1956, as stipulated by amendment to the contract. The work under the items that have been allowed was done in conformance with the contract, and it is recommended that the government's share (90 percent) of the allowable cost, $1,054.25, or $948.82 be paid.

H. G. Sinyon

cc: Irawur (3)
files

RECEIVED
JUL 2 - 1956

May 2[illegible], 1956

Memorandum

To: [illegible] Director, Executive Office, [illegible]

From: [illegible] Director, Grid City, [illegible] Dak.

Subject: Docket [illegible] A (Cl. (Tin, Columbite-Tantalite, Lepidolite), [illegible] Ion-1658, Northwest Deforme Minerals, Inc., Lawrence County, S. Dak. - Operator's Monthly Progress Report, for the period Nov. 23, 1955 - April 1[illegible], 1956

The subject report was received in this office on May [illegible], 19[illegible].

The work covered by the Operator's Engineer's Narrative Report was such that only a check of the calculations could be made. A few minor arithmetical errors in conversion of recovery from total yardage to pounds per cubic yard were noted. The errors make a difference of $[illegible].01 in the value per cubic yard.

Of the Operator's claims for payment on the Operator's Monthly Report and Voucher Form F-10[illegible] dated Nov. 23, 1955 - April 1[illegible], 1956, the following allowances and disallowances are made:

Cost Pitting

Three test pits were approved by this office. The pits are described as:

Bear Creek Test Pit No. 1 - 6½ ft.
Bear Creek Test Pit No. 2 - 7 ft.
Beaver Creek Test Pit No. 1 - 1[illegible] ft.

Payment through Report No. 2 - 25½ ft. @ $12[illegible].00 per ft. -	$[illegible]31.25
Claimed in Report No. 3, [illegible] ft. @ $25.00 per ft. -	1[illegible].25
	$[illegible]

Total Test Pit Footage - 11½ ft. @ $25.00 per ft. - $[illegible]

Of the $325.12 claimed under "Test Pit Calcium Costs - Mill Run Process," $176.25 is allowed.

Mill Run Process

The balance of the $225.12, or $168.87, apparently is for Mill Run Process and is disallowed. Expenditures for this item are not provided for in the contract except that the cost of treating samples is included in the cost per foot for churn drilling and test pitting.

Technical Services

The $200.00 claimed for technical services, progress report No. 2, December 26 and 27, 1975, and maps for Report No. 2, January 2 and 3, 1976, may be a duplication, at least in part, of the charges submitted for technical services in Report No. 2. However, as this cannot be proved and the item is documented by invoice, the full amount claimed, $150.00, is therefore allowed.

Rental of Equipment

The amount claimed for rental of equipment, $75.00, although documented by invoices, is disallowed as it is a part of the Mill Run Process Test and is not included under the terms of the contract.

Allowed		Disallowed	
Test pit, 5 cu. yd. @ $225 -	$156.25	$168.87	Mill Run Process
Technical Services	150.00	75.00	Equipment Rental
Assays, 6 samples	338.00	$243.87	
Copies of Report	10.00		
	1,054.25		

It is recommended that the operator be paid $948.82, or 90 percent of the $1,054.25 allowed for expenditures under the terms of the contract.

W. C. Dinron

cc: Traver (2)
Files

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 2 - 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Nov. 23, 1955

Month of April 15, 1956 Docket No. DMEA 654X Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium

Address Spearfish, South Dakota Tantalum, Tungsten, Gold

Contract Amount, $ 29,931.00 Phase II Government Participation: 90 % Amount, $26,937.90

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Churn		1742.50	1742.50			
Bulldozing						
Crosscutting West Pit Caisson Costs		631.25	631.25			
Drifting Mill run process	325.12	disallowed	325.12			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	550.00	1300.00	1850.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil		178.14	178.14			
Explosives						
Pipe						
Track						
Truck repairs		111.01	111.01			
(4) Operating Equipment:						
Rental not documented in Report						
Purchase 2. Humphrey Spiral	200.00		200.00			
Depreciation Dorr Classifier	75		75			
(5) Initial Rehabilitation and Repairs Trommel Screen	50		50			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous: Eng. Trav. Exp.		308.97	308.97			
Repairs to Equipment						
Sampling and Analysis Cook & Food		807.94	807.94			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Assays 6 samples 8338.00	348.00	1058.77	1406.77			
copies 810.00						
TOTALS	~~1548.00~~ 1548.12 Ex	6138.58	~~7686.58~~ 7686.70 Ex	898.00	6832.03	7730.03
				LJ	765.93	765.93

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 21 *Payee Northwest Defense Minerals Inc.

Per Peggy Keenan Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

606.10 6964.10

$ 708.20

Signature RPC
(Authorized Certifying Officer)

Date 6/26/56 Vou. No DMA-56-127
(See other side)

LJ Previous Disallowance

(For Government use only)

For payment of $948.82

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. [illegible] in accordance with the terms of the contract.

Signature E. Bunyon Title Mining Engineer Date May 10, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Haney Title Executive Officer Date JUN 5 1956

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF–104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF–104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF–104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF–104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF–200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF–200; and delete word "Independent" if the contract reported is on Form MF–200 (A). Also, report work paid for on a unit basis under contract Form MF–200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF–104 when submitted for reimbursable expenses incurred under contract Form MF–200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF–200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF–104 is required to be documented. The four copies of Form MF–104 are not to be thus supported.

Form MF–104 submitted for reimbursement under fixed price contracts on Form MF–200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF–104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 2 - 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Nov. 23, 1955

Month of April 15 195 6 Docket No. DMEA 654X Contract No. Idm-E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium

Address Spearfish, South Dakota Tantalum, Tungsten, Gold

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting Churn				1742.50	348.50	5.00	16.00	5.50
Crosscutting Mill run process		325.00		325.12	1.25c.y	325.12		
Raising								
Shafts Truck repair				111.01				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping Caisson	feet			631.25				
Trenching Tech. Services	day	550.00	11	1850.00				
Test Pits								
Roads and Trails Cook & Food				807.94				
Eng. Trav. Exp.				308.97				
Rentals		200 75		200 75				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Gas & Oil		50		50				
Operating Equipment Purchased				178.14				
Initial Rehabilitation and Repairs Contingencies, Assays		348.00		1406.77				
New Buildings, Improvements, etc.								
		1548.00		7686.70				
TOTAL COSTS		1548.00		7686.58				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Apr 26 1956 Operator Northwest Defense Minerals Inc

Per Peggy Keenan Title President

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

E. O Benyon Note Special Conditions Page

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

RECEIVED
JUL 2 - 1956

PROGRESS REPORT 3

NORTHWEST DEFENSE MINERALS,
INC.

(Formerly Keenan Properties)

****

D. M. A. Project Idm 258 Docket 654X

EXPLORATION

R. M. ATWATER, JR.
CHADDS FORD, PA.

Bureau of Mines Observer

E. O BINYON
CHIEF OF FIELD TEAM III
RAPID CITY, SOUTH DAKOTA

PROGRESS REPORT #3

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ~~[illegible]~~ PROJECT I.D. B-58

A study of Reports 532234, 532235, 532236, 532237, 532238, 532789 assays of concentrates by Lucius Pitkin, Inc., 47 Fulton Street, New York 38, N. Y., under date of February 3, 1956, for Northwest Defense Minerals, Inc., Spearfish, South Dakota, has been made by the undersigned. The concentrates analyzed were produced in November 1955 from a portion of the gravels excavated from a test pit sunk to bedrock in Beaver Creek, Lawrence County, South Dakota. Details of the excavation and concentration methods used are fully described in Progress Reports No. 1 and No. 2.

One and one-quarter cubic yards of gravel was concentrated in the November 1955 tests. The gravel from which the concentrates was produced included the bedrock portion 1¼ cubic feet which was washed from the bedrock slab rock by wire brush, and 32.45 cubic feet of gravel excavated from the lower level in the caisson. 1¼ cubic feet plus 32.45 cubic feet = 1¼ cubic yards (approximately). From the 1¼ cubic yards of gravel concentrated, the following values were recovered in the concentrates.

Cb_2O_5 plus Ta_2O_5	——	0.0653 pounds
Tin	——————	0.65 pounds
WO_3	——————	0.2685 pounds
Gold @ $35.00 per ounce		99 56/100 cents

Computed to Value per Cubic Yard the mineral content includes:

Mineral	Pounds per Cu.Yd.	Value per Pound	Value per Cu.Yd.
Cb_2O_5 plus Ta_2O_5	0.0523	$1.40	.073
Tin	0.528	1.015	.536
WO_3	0.215	3.15	.677
Gold $35.00 oz.			.797
		VALUE PER YARD	$ 2.08

It was planned to concentrate all of the gravel excavated from the caisson test pit. This was not possible, due to below zero weather conditions at the time of the processing. The balance of the gravel removed from the caisson is stored in bins at the Northwest Defense Minerals Inc. plant in South Dakota. The gravel is still in a frozen condition.

All computations made in determining the mineral content are included and follow herewith:

Panned Concentrate Off Bedrock

589 grams X 1.24% = 7.3 grams Cb_2O_5 + Ta_2O_5

589 grams X 26.13% = 154. grams Tin

589 grams X 6.66% = 39.2 grams WO_3

Gold 19.33 oz. per ton X $35.00 = $676.55

$\frac{676.55}{2000}$ = $ .338 per pound

1.297 pound X 0.338 = 44¢ gold

Cleaned Jig Concentrate

1781 grams X 1.21% = 21.5 grams Cb_2O_5 plus Ta_2O_5

1781 grams X 7.62% = 135.6 grams Tin

1781 grams X 2.54% = 45.9 grams WO_3

Gold 7.48 oz. per ton

3 pounds 14 3/4 oz. = 3.922 pounds

7.48 oz. X $35.00 = $262.09

$\frac{\$262}{2000}$ = $ 0.131 per pound

3.922 pound X $0.131 = 51 3/10¢ gold

No. 2 Jig Concentrates

825 grams X 0.10% = 0.825 Cb_2O_5 + Ta_2O_5

825 grams X 0.62% = 5.12 grams Tin

825 grams X 0.92% = 7.67 grams WO_3

Gold 1.26 oz. per ton

1.26 X $35.00 = $44.10

$\frac{\$44.10}{2000}$ = $0.022 per pound

1 pound 15 oz. = 1.9375 pounds

1.9375 X $0.022 = 4 26/100 cents gold

RECEIVED
JUL 2 - 1956

Jig Bed Concentrates

1121 grams X trace = trace grams Cb_2O_5 plus Ta_2O_5

1121 grams X 0.45% = 5.04 grams tin

1121 grams X 2.58% = 28.9 grams WO_3

Gold only a trace

Total of Values Recovered in Concentrate

	Cb_2O_5 Ta_2O_5	Tin	WO_3	Gold
Panned Concentrate	7.3 grams	154 grams	39.2 grams	44 cents
Cleaned Jig Concentrates	21.5 grams	135.6 grams	45.9 grams	51 3/10 cents
No. 2 Jig Concentrates	.835 grams	5.12 grams	7.67 grams	4 26/100 cents
Jig Bed Concentrates	.000 trace	5.04 grams	28.90 grams	Trace
	29.685	295.76 grams	121.67 grams	99 56/100 cents

453.59 Grams = 1 pound

Pounds in 1½ cu. yd.	0.0653 lb.	0.66 lb.	0.2685 lb.	99 56/100 cents
Pounds per cu. yd.	0.0523 lb.	0.528 lb.	0.215 lb.	79 7/10 cents

The trace values contained in assay Report 532236, Jig residue (tailings) from cleaned Jig Concentrates indicates that satisfactory recovery of the minerals can be made by two stage jig concentration.

The low values contained in Assay Report No. 532234, Humphrey Splitters Composite 1, 2, 3, 5 indicates that little value was contained in the slime portion of the gravel in this processing. No attempt was made to up-grade the spiral concentrate.

The feed to jigs should be sized. A suggested system of recovery would be to screen the gravel at 1/2 inch at a washing trommel; then split the feed to two sets of jigs - ½" + 1/8" to one set and the minus 1/8" to the second set. This would give greater recovery in the five sizes than if an unclassified product was fed to a single set of jigs. Recovery of larger than ½" sizes could be made by a nugget ring mounted on the end plate of the washing trommel. Evidence of large nuggets and mineral values plus ½" in size have been observed by the undersigned.

The presence of amalgam in the gold recovered (approximately 25% of the gold recovered had been amalgamated) indicates that the early day, hand shovel and wheelbarrow operators, lost much of the values. At the early dates no attempt was made to save the columbium, tantalum, tin and tungsten values. It is not known how extensive the sluice box miners worked this gravel. The presence of amalgam at 12 feet below the surface depths indicates that some work was done. Nature has leveled off the gravels at this location on Beaver Creek. Other than the presence of amalgam in the concentrates there is no evidence that this portion of the creek has been worked.

As stated previously, only a portion of the gravel excavated from the test pit was concentrated.

An additional 35 cubic feet of gravel had been moved from the storage bin to the concentrating room during the November 1955 tests. This 35 cubic feet portion was not concentrated. This portion of gravel originally was adjacent to the rich 1½ cubic feet portion taken directly off bedrock. Had freezing conditions not been encountered and had this additional 35 cubic feet been concentrated the results obtained would not apply on the per cubic yard basis as reported on these pages.

The results obtained from the 1955 tests are encouraging in the amount of minerals to be recovered in the Beaver Creek area.

The processing of the concentrates was suspended November 22, 1955 due to an extended period of -25° weather.

R. M. Atwater Jr.

R. M. Atwater Jr., Engineer

(4th Copy)

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

RECEIVED JUL 2 - 1956

REPORT

L. P. 532235
February 3, 1956

Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City

BY MINERALOGICAL EXAMINATION

A portion of the sample was viewed under fluorescent light on a binocular microscope. The fluorescent minerals were noted, and a small sample of each of two minerals that fluoresce orange was segregated.

Fluorescent Minerals. Four different fluorescent minerals were noted. Two of these have colors that are distinctly not orange or a related shade. They are:

1. Scheelite. Greenish blue-white
2. Calcite Pale Pink. This identification very tentative, as the fragments do not have the rhombohedral habit that would be expected.

Two different minerals have a fluorescent color that would be described as orange. They have been identified as follows:

1. Zircon. The fluorescent color would be called reddish orange. Many small crystals were found with characteristic double terminations. A small sample was segregated for spectroscopic work if desired.

2. Undetermined mineral that has a fluorescent color that is yellowish orange. Some are short chunky grains with several crystal faces that appear to be worn. It is possible that some worn grains of zircon have been included in the segregated sample, as the color of the fluoresence is not greatly different.

Grains with the same reddish orange fluorescence are present as accessories in the magnetite-monazite mineralization from the Martinsville, Virginia district. It is thought to be zircon in this case also. The same kind of fluorescence is shown by the zircon in the coastal plain zircon-rich sandstone from near Ashland, Virginia. The import of this is that much of the zircon from the Appalachian region is fluorescent, and this may be important in its identification in one way or another.

Respectfully submitted.

LUCIUS PITKIN, INC.

H. A. Bell

RHB.ts

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special permission in writing.

Form 107 5-54 2M

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

RECEIVED JUL 2 - 1956

REPORT OF ANALYSIS

Report No. 532238 February 3, 1956

The result as indicated by our analysis of 1 sample(s) of Panned Concentrates Bedrock from Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5) + Tantalum Oxide (Ta_2O_5)	1.24 %
Tin	26.13
Tungstic Oxide (WO_3)	6.66
Gold	19.33 opt

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

LUCIUS PITKIN, INC.

By

For R. H. Bell

OPT = Troy Ounces per ton of 2000 lbs.

PPT = Parts per thousand

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special permission in writing.

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

REPORT OF ANALYSIS

Report No. 532235 February 3,1956

The result as indicated by our analysis of 1 sample(s) of Cleaned Jig Consentrates for Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5) + Tantalum Oxide (Ta_2O_5)	1.21 %
Tin	7.62
Tungstic Oxide (WO_3)	2.54
Gold	7.48 opt

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

LUCIUS PITKIN, INC.

By

OPT = Troy Ounces per ton of 2000 lbs.

PPT = Parts per thousand

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes, overleaf or in connection with our name without special permission in writing.

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

RECEIVED JUL 2 - 1956

REPORT OF ANALYSIS

Report No. 532237 February 3, 1956

The result as indicated by our analysis of 1 sample(s) of #2 Jig Concentrates from Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5) + Tantalum Oxide (Ta_2O_5)	*.10 %
Tin	0.62
Tungstic Oxide (WO_3)	0.92
Gold	1.26 opt

*Less than

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

LUCIUS PITKIN, INC.

By [signature]

for R. H. Bell

OPT = Troy Ounces per ton of 2000 lbs.

PPT = Parts per thousand

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special permission in writing.

FORM 105 11-55 5M

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

REPORT OF ANALYSIS

Report No. 532236 February 3, 1956

The result as indicated by our analysis of 1 sample(s) of Jig Residue from Cleaned Jig Concentrates from Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5) + Tantalum Oxide (Ta_2O_5)	*.10 %
Tin	*.10
Tungstic Oxide (WO_3)	*.10
Gold	0.10 opt

*Less than

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

LUCIUS PITKIN, INC.

By [signature]

OPT = Troy Ounces per ton of 2000 lbs.
PPT = Parts per thousand

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special permission in writing.

FORM 105 11-55 5M

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

RECEIVED JUL 2 - 1956

REPORT OF ANALYSIS

Report No. 532789 February 3, 1956

The result as indicated by our analysis of 1 sample(s) of Jig Bed Concentrates from Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5)+- - - -	*.10 %
Tantalum Oxide (Ta_2O_5)	
Tin - - - - - - - - - - - - - -	-0.45
Tungstic Oxide (WO_3) - - - -	2.58
Gold - - - - - - - - - - - - - -	0.02 opt

*Less than

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

OPT = Troy Ounces per ton of 2000 lbs.
PPT = Parts per thousand

LUCIUS PITKIN, INC.
By
for H. H. Bell

This report is rendered upon the condition that it is not to be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special permission in writing.

Cable Address: Niktip.

Lucius Pitkin, Inc.

ESTABLISHED 1885

METALLURGICAL CHEMISTS AND CONSULTANTS

Weighers - Samplers - Assayers - Analysts

Mineralogists - Metallographers - Spectroscopists

Main Office and Laboratories

47 FULTON STREET PITKIN BUILDING NEW YORK 38, N. Y.

REPORT OF ANALYSIS

Report No. 532234 February 3, 1956

The result as indicated by our analysis of 1 sample(s) of Splitters Humphrey
Comp. 1, 2, 3, 5
from Northwest Defense Minerals, Inc.

and submitted to us, is as follows:

ON DRIED SAMPLE

Columbium Oxide (Cb_2O_5) + Tantalum Oxide (Ta_2O_5) -	*.10 %
Tin -	*.10
Tungstic Oxide (WO_3) - - - - - - - - - - - - - - - - - -	*.10
Gold -	*0.01 opt

*Less than

Copies: 6- Northwest Defense Minerals, Inc.
118 E. 40th Street
New York City
Attention: Miss Peggy Kennan

LUCIUS PITKIN, INC.

By [signature]
for R. H. Bell

OPT = Troy Ounces per ton of 2000 lbs.
PPT = Parts per thousand
ts

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FORM 105 11-55 5M

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. R1036.5

RECEIVED
JUN 14 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Nov. 23, 1955

Month of April 15, 1956, 195 ... Docket No. DMEA 654X ... Contract No. Idn E-58

Operator's Name Northwest Defense Minerals, Inc. ... Minerals Tin, Columbium Tantalum, Tungsten, Gold

Address Spearfish, South Dakota

Contract Amount, $ 29,931.00 Phase II Government Participation 90 % ... Amount, $ 26,937.90

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Churn		1742.50	1742.50			
Bulldozing						
Test Pit Caisson Costs Crosscutting		631.25	631.25			
Drifting Mill run process	325.12	disallowed	325.12			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	550.00	1300.00	1850.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil		178.14	178.14			
Explosives						
Pipe						
Track						
Truck repairs		111.01	111.01			
(4) Operating Equipment:						
Rental not documented in Report 2. Humphrey Spiral	200.00		200			
Depreciation Dorr Classifier	75		75			
(5) Initial Rehabilitation and Repairs Transmission Service	50		50			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous Exp. Trav. Exp.		308.97	308.97			
Repairs to Equipment						
Sampling and Analysis Cook & Food		807.94	807.94			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify): Assays 6 samples $338.00 copies $10.00	348.00	1058.77	1406.77			
TOTALS	1548.00	6138.58	7686.58			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 21 Payee Northwest Defense Minerals

Per Peggy Kerr Title Treasurer

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature (Authorized Certifying Officer)

Date Vou. No. (Not other date)

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
JUN 14 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Nov. 23, 1955

Month of April 15 1956 Docket No. DMEA 654X Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium

Address Spearfish, South Dakota Tantalum, Tungsten, Gold

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting Churn		~~325.12~~		1742.50	348.50	5.00	16.00	5.50
Crosscutting Mill run process		~~325.00~~		325.12	1.25 c.y	325.12		
Raising								
Shafts Truck repair				111.01				
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping Caisson	feet			631.25				
Trenching Tech. Services	day	550.00	11	1850.00				
Test Pits Cook & Food								
Roads and Trails				807.94				
Eng. Trav. Exp.				308.97				
Rentals		200		200				
Total Distributed Costs		75		75			Total Costs Authorized by Contract	
Gas & Oil		50		50				
Operating Equipment Purchased				178.14				
Contingencies, Assays								
Initial Rehabilitation and Repairs		348.00		1406.77				
New Buildings, Improvements, etc.								
		~~1548.12~~		~~7686.20~~				
Total Costs		1548.00		7686.58				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Apr. 26 56 Operator Northwest Defense Minerals Inc

Per Peggy Keenan Title President

Remarks:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

E O Bunyon note general correspondence

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

HARMILL 207

INTER-OFFICE MEMORANDUM

DATE: April 18

FROM: Peggy Keenan

TO: Mr. ~~L. L. Knowse~~

SUBJECT: Report 3, Phase II Idaho E58-654X

Dear Mr. Knowse:

This is an unsigned copy of report 3 which is reaching you by our good friend Mr. Bacon. This copy is in advance of the one your Division will finally receive. The signed copies are enroute to Rapid City. Hope you are all fine,

Sincerely,

Peggy Keenan

PROGRESS REPORT #3

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT #654X PROJECT Idm E-58

A study of Reports 532234, 532235, 532236, 532237, 532238, 532789 assays of concentrates by Lucius Pitkin, Inc., 47 Fulton Street, New York 38, N. Y., under date of February 3, 1956, for Northwest Defense Minerals, Inc., Spearfish, South Dakota, has been made by the undersigned. The concentrates analyzed were produced in November 1955 from a portion of the gravels excavated from a test pit sunk to bedrock in Beaver Creek, Lawrence County, South Dakota. Details of the excavation and concentration methods used are fully described in Progress Reports No. 1 and No. 2.

One and one-quarter cubic yards of gravel was concentrated in the November 1955 tests. The gravel from which the concentrates was produced included the bedrock portion 1¼ cubic feet which was washed from the bedrock slab rock by wire brush, and 32.45 cubic feet of gravel excavated from the lower level in the caisson. 1¼ cubic feet plus 32.45 cubic feet= 1¼ cubic yards (approximately). From the 1¼ cubic yards of gravel concentrated, the following values were recovered in the concentrates.

Cb_2O_5 plus Ta_2O_5 ———	0.0653 pounds
Tin ———————	0.65 pounds
WO_3 ———————	0.2685 pounds
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$\frac{676.55}{2000}$ = $ .338 per pound

1.297 pound X 0.338 = 44¢ gold

Cleaned Jig Concentrate

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3.922 pound X $0.131 = 51 3/10¢ gold

No. 2 Jig Concentrates

825 grams X 0.10% = 0.825 Cb_2O_5 plus Ta_2O_5

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825 grams X 0.92% = 7.67 grams WO_3

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1.26 X $35.00 = $44.10

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Jig Bed Concentrates

1121 grams X trace = trace grams Cb_2O_5 plus Ta_2O_5

1121 grams X 0.45% = 5.04 grams tin

1121 grams X 2.58% = 28.9 grams WO_3

Gold only a trace

Total of Values Recovered in Concentrate

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Panned Concentrate	7.3 grams	154 grams	39.2 grams	44¢
Cleaned Jig Concentrates	21.5 grams	135.6 "	45.9 "	51 3/10 cents
No. 2 Jig Concentrates	.825 "	5.12"	7.67 "	4 26/100 cents
Jig Bed Concentrates	.000 trace	5.04 "	28.90 "	Trace
	29.625	299.76	121.67	99.56/100 cents

453.59 Grams = 1 pound

Pounds in 1¼ cu.yd.	0.0653 lb.	0.66 lb.	0.2685 lb.	99 56/100 cents
Pounds per cu.yd.	0.0523 lb.	0.528 lb.	0.215 lb.	79 7/10 cents

The trace values contained in assay Report 532236, Jig residue (tailings) from cleaned Jig Concentrates indicates that satisfactory recovery of the minerals can be made by two stage jig concentration.

The low values contained in Assay Report No. 532234, Humphrey Splitters Composite 1, 2, 3, 5 indicates that little value was contained in the slime portion of the gravel in this processing. No attempt was made to up-grade the spiral concentrate.

The feed to jigs should be sized. A suggested system of recovery would be to screen the gravel at 1/2 inch at a washing trommel; then split the feed to two sets of jigs - ½" plus 1/8" to one set and the minus 1/8" to the second set. This would give greater recovery in the five sizes than if an unclassified product was fed to a single set of jigs. Recovery of larger than ½" sizes could be made by a nugget ring mounted on the end plate of the washing trommel. Evidence of large nuggets and mineral values plus ½" in size have been observed by the undersigned.

The presence of amalgam in the gold recovered (approximately 25% of the gold recovered had been amalgamated) indicates that the early day, hand shovel and wheelbarrow operators, lost much of the values. At the early dates no attempt was made to save the columbium, tantalum, tin and tungsten values. It is not known how extensive the sluice box miners worked this gravel. The presence of amalgam at 12 feet below the surface depths indicates that some work was done. Nature has leveled off the gravels at this location on Beaver Creek. Other than the presence of amalgam in the concentrates there is no evidence that this portion of the creek has been worked.

As stated previously, only a portion of the gravel excavated from the test pit was concentrated.

An additional 35 cubic feet of gravel had been moved from the storage bin to the concentrating room during the November 1955 tests. This 35 cubic feet portion was not concentrated. This portion of gravel originally was adjacent to the rich 14 cubic foot portion taken directly off bedrock. Had freezing conditions not been encountered and had this additional 35 cubic feet been concentrated the results obtained would not apply on the per cubic yard basis as reported on these pages.

The results obtained from the 1955 tests are encouraging in the amount of minerals to be recovered in the Beaver Creek area.

The processing of the concentrates was suspended November 22, 1955 due to an extended period of -22° weather.

R. M. Atwater Jr., Engineer

4-9-56

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

RECEIVED
APR 9 - 1956

FINAL DISTRIBUTION
MADE APR 5 1956

Administrative Audit Difference Statement

Date: April 4, 1956
Payee's Reference: November 1955

Northwest Defense Minerals, Inc.
Standish Hotel,
45 West 81st Street,
New York 24, New York

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$	3,054.43
-		965.17
Difference	$	592.25
Amount Approved	$	2,681.51

The reason for the difference was due to:

Disallowances:		
Claimed 13.25' Caisson test pits and drill run process	849.71	
Allowed 7' @ $25.00 per foot in accordance with contract	175.00	674.71
Truck repairs (no documentation)		150.09
Engineer travel expense (no documentation)		.05
Food costs (no documentation)		115.64
Labor costs (no documentation)		24.68
Total disallowances		$965.17
Reinstatements:		
Test pit Caisson disallowed on October report (documentation furnished with November report)		456.25
Food costs disallowed in October (documentation furnished with November report)		136.00
Total Reinstatements		$592.25

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-III-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
APR 1 - 1956

224 New Customhouse
Denver 2, Colorado

March 30, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 654X (Tin, Columbium-Tantalum, Tungsten) Contract Idm-E58, Northwest Defense Minerals, Inc., (Rawlins Mining District) Fall River County, South Dakota. Operator's Monthly Progress Report for the period October 29-November 23, 1955

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 90 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations and subject to audit by the Contract Administration and Audit Division, except for the following deductions and reinstatements.

Item I - Test Pit Caisson and Mill Run Process

Costs reported this period	$849.71	
Costs reported in previous periods but disallowed	456.25	
Total costs reported for 31.25 feet in test pits Nos. 1 and 2		$1,305.96

Maximum allowable cost for completed test pit caisson and mill run process			
Test pit No. 1 - 18.25 feet @ $25.00 per foot	$456.25		
Test pit No. 2 - 7.0 feet @ $25.00 per foot	175.00		
Total acceptable cost		631.25	
Total disallowance		674.71	
Disallowed previous report		456.25	
Net disallowance this report			$218.46

Item 4 - Truck Repairs

Should have been reported under "Item - 8 Contingencies"			
Costs reported		$261.01	
Acceptable documented costs		110.92	
Undocumented costs disallowed			$150.09

Item 7 - Engineer Travel Expense

Costs reported		$181.86	
Costs documented		181.81	
Excess disallowed			$ 0.05

Item 7 - Cook and Food and Supplies and Food

Costs reported this period		$633.58	
Acceptable documented costs			
Cook's Salary	$186.64		
Food and Supplies	161.77		
Special preparatory work	100.00		
Additional food and supplies purchased in previous period but reported this period	69.53		
Total accepted cost		517.94	
Undocumented costs disallowed		115.64	
Previous undocumented costs disallowed but now documented reinstated. Food and Supplies		136.00	
Net reinstatement			$20.36

Summary

Total acceptable costs	
This period	$653.94
Previous	120.00
Total	$773.94

Note: The unit cost to date for 241 man/days at a total allowed cost of 773.94 is $3.69 per man per day. The allowable maximum cost under the terms of the contract is $8.00 per man per day

Item 8 - Contingencies - Labor Transport

(Actually labor transporting samples)		
Costs reported	$403.59	?
Total documented labor	378.91	
Excess Disallowed		$24.68

Summary of Disallowances, Reinstatements and Basis of Reimbursement to the Operator on Form MF-104 for the Period from October 29, to November 23, 1955

Total costs reported by Operator		$3,054.43
Disallowances		
Item 1 - Test pit caisson and mill run process	$218.46	
Item 4 - Truck Repairs	150.09	
Item 7 - Engr. Travel expense	0.05	
Item 8 - Contingencies - Labor Transport	24.68	
Total Disallowances	$393.28	
Reinstatement		
Item 7 - Cook and Food and Supplies and Food	20.36	
Net Disallowance		372.92
Total accepted costs		$2,681.51
Government participation at 90 percent		$2,413.36
Amount due the Operator		$2,413.36

Remarks

Date of Report----------December 10, 1955
Date Received in Field Office--------- January 24, 1956
Date Received in Region Office------ February 23, 1956

W. M. TRAVER

W. M. Traver

Enclosures

JDC:jy

cc: MF-104 File E58)
Sec. Op. Comm. (2))
Binyon)w/copy Adm. Audit
Townsend)Diff. Statement.
Cooper)
Chron.

DMEA
Date Rec'd

MAR 20 1956

BUREAU OF MINES
Denver, Colorado
APR

March 16, 1956

Memorandum

To: R. A. Traver, Executive Officer, DMEA Field Team, Reg. III

From: E. J. Binyon

Subject: Docket DMEA-654 (Tin, Columbium-Tantalum, Tungsten), Contract Ion-E58, Northwest Defense Minerals, Inc., Lawrence County, South Dakota, — Monthly Progress Report and Voucher for the period October 26-November 12, 1955 (Revised)

Transmitted herewith are the following:

1) Operator's MF-104 and MF-104A, original and 4 copies (Rev.)

2) Bureau Engineer's Narrative Report, original and 4 copies

3) Operator's Narrative Report and letter, originals and 2 maps.

4) Operator's Engineer Progress Report No. 1, original

Also enclosed are four extra copies of the Bureau Engineer's Narrative Report and the list of documentation originally submitted. In addition another set of recapitulation sheets for the revised report are attached to the documentation sheets you requested be returned. The original Bureau Engineers report with the transmittal are also enclosed.

The operator's original report, submitted December 6, was returned for revision and clarification and was not resubmitted in it's entirety until January 24. The material as submitted was difficult to check and the office check was not completed until February 21 when the report was forwarded to the Denver office.

The revised or subject report was received March 15. As in the original report, the operator claims expenditures for items and work not covered by the contract and these are disallowed. The work under the items that are allowed was done in conformance with the contract and it is recommended that the government's share (95%) of the allowable cost-$2,188.04- or $1,988.24 be paid.

The work was completed prior to January 1, 1956.

E. J. Binyon

cc: R. A. Traver (2)
Files

March 18, 1953

RECEIVED
APR 2 - 1953

Memorandum

To: K. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: E. O. Banyon

Subject: Monthly Progress Report for period October 20-November 17, 1955 (Revised), Docket DMEA-654 (Tin, Columbium-Tantalum, Tungsten), Contract Ion-158, Northwest Defense Minerals, Inc., Lawrence County, South Dakota

During the period three visits were made to the project to check progress and completed work, and to observe the washing and concentration process.

The work covered by the subject report includes sinking of two test pits - Test Pit No. 1 on Beaver Creek and Test Pit No. 2 on Bear Creek - , handling and storage of gravel from the pits and the washing and concentration of gravel from the bottom of Test Pit No. 1 on Beaver Creek.

Test Pitting

Test Pit No. 1 on Beaver Creek, started in October, was extended 6-1/4 feet, or from depth 12 to 18-1/4 feet, and Test Pit No. 2 on Bear Creek was sunk 7 feet. As reported by the operator, a total of 16-1/4 feet of test pitting was completed during the period. Test Pit No. 2 on Bear Creek, the last pit dug, was completed November 10. The locations of the pits are shown on the maps included with the operator's report.

Handling and Storage of Samples

The gravel from both pits, approximately 10 cubic yards, was hauled to the mill building, and there stored in bins which were built as a part of the work under Stage II and allowed as a charge against Contingencies. The gravel from each caisson in each pit was stored separately and labeled as to the depth represented.

No.	Splits Sample	Wt., Grams	Operator's Report Sample	Total Wt., Grams
9	Splitter No. 4	270	#4 Splitter, Humphrey Spiral	539
10	Splitter No. 5	2,021	#5 Splitter, Humphrey Spiral	4,063

The split designated "jig residue from cleaned jig concentrate" sample weighed 57 pounds" is probably a concentrate of the jig middling product.

The operator's original and revised reports include items that are not allowable under the contract as interpreted here. Also some of the amounts charged are incorrect according to the documentation, in some instances being less than the correct amount chargeable, and in others, more than the documentation shows. From the terms of the contract and documented expenditures as determined here, the allowable amounts for the various items are:

Test Pitting	$ 551.25	Includes $63.28 for washing and concentration and $267.97 for labor, equip. rental and repair, and supplies
Handling & Storage of samples	423.50	Chargeable to Contingencies
Technical Services	600.00	As claimed
Gas & Oil	76.27	Actual expenditure
Engineer's Expense	181.81	Chargeable to Miscellaneous
Postage on samples	5.50	Chargeable to Analyses of samples
Payroll Taxes	16.27	Chargeable to Contingencies
Commissary; Meals & Quarters	543.44	Includes expenditures for Oct. & Nov. Chargeable to Miscellaneous
Total	$ 2,188.04	

It is recommended that the operator be paid $1,969.24, or the government's share (90 percent) of $2,188.04 the total of documented expenditures that are considered allowable under the contract for work performed during the period included under the November 1955 Monthly Progress Report.

E. O. Binyon

cc: R.M.Traver (9)
files

MF 104

Oct & Nov

1955

Form MF-104 (Rev.) (April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED APR 9 - 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct.29 to Nov.22, 1955 Docket No. DMEA 654X Contract No. Idm E - 58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium - Tantalum, Tungsten, Gold

Address Spearfish, South Dakota

Contract Amount, $ 29931, Phase II Government Participation: 90 % Amount, $ 26,937.90

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		1742.50	1742.50			
Bulldozing						
Crosscutting						
Test Pit Caisson-Labor costs	265.59	disallowed	265.59			
Mill Run Process	584.12		584.12			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	600.00	700.00	1300.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	100.00	78.14	178.14			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Total Truck Repairs	261.01		261.01			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous Eng. Trav. Exp.	181.86	127.11	308.97			
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance		120.00				
Cook and Food	431.08	170.00	721.08			
Supplies and Food	202.50		202.50			
(8) Contingencies (specify): Labor Transport $40.59, Parcel Post 5.50 Assayor 2$ Gross Labor 19.18	428.27	630.50	1058.77			
TOTALS	3054.43	3568.25	6622.18	2681.51	4150.62	6832.03
				H -	765.93	765.93
					3,384.59	6,066.10
					$2413.36	

I certify that the above bill is correct and just and that payment therefor has not been received.

Date December 20 Payee Northwest Defense Minerals Inc.

Per Jerry Keenan Title President

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

Signature [illegible] (Authorized Certifying Officer)

Date 4/24/56 Vou. No. DMM 56-89

(See other side)

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

1 Previous Disallowance

(For Government use only)

For payment of $1,969.24

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Icm-E58 in accordance with the terms of the contract.

Signature E. O. Bingon Title Mining Engineer Date March 18, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Haney Title Executive Officer Date MAR 30 1956

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 9 - 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.29 to Nov.22 195 5 Docket No. DMEA 654x Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium

Address Spearfish, South Dakota Tantalum, Tungsten, Gold

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Churn				1742.50	348.50	5.00	16.00	5.50
Mill Run Process		584.12		584.12	1.25 cy	584.12		
Panned Auger					1.25 cy			
Stripping Total Truck Repair		261.01		261.01				
Trenching								
Test Pits Caisson	Feet	265.59	13.25	265.59	31.25	25.00	180	25.00
Roads and Trails Tech. Services 226.57	Day	600.00	12	1300	26	50.00	100	50.00
Cook and Food 204.51		431.08	140 man	721.08	231 M.D.	8.00	687	8.00
Cook and Food Supplies		202.50	days	202.50				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Gas and Oil		100.00		178.14				
Operating Equipment Purchased								
Engineer Travel Exp.		181.86		308.97				
Initial Rehabilitation and Repairs								
Labor Transport Parcel Post		428.67 x	428.27	1058.27 x	-1058.79			
New Buildings, Improvements, etc.								
Assay, 2% Labor								
TOTAL COSTS		3054.43	3054.83 -40 3054.43	6622.18	6622.70			29,931.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date December 10 Operator Northwest Defense Minerals Inc

Per Jerry Keenan Title President

REMARKS: No equipment allowed purchased, rehabilitation and repairs none.

Phase II only. Original Contract $100,000 Gov. participation 90%.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

E V Benyon

Note: Arithmetical errors and error in transposition of $428.27 on MF 104 to 428.67 on MF 104 A

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Notes on M F 104

Oct. 29 to Nov. 22, 1955

March 6, 1956.

DRAFT
Date Rec'd
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MAR 12 1956 APR 9 - 1956
BUREAU OF MINES
Denver, Colorado

1. Test Pit Caisson and Labor Costs.

Report 2 claims $265.59

Report 1 claimed $456.25 which was 18.25 feet @ $25.00 a foot. Labor in report 1 in Contingencies was for the unforeseen transportation cost from Creek to Mill of drums for storage of concentrates. MTM, Inc. requests a ruling, as the cost of mill run process is included in the $25.00 a foot, allowed. Report 2 shows $584.12 cost of mill run (see page previously submitted dated Dec. 3, 1955, title Item 2 report 2 Labor and Supervision MF 104.) As the whole mill run set up was charged and is still available could this be charged to contingency?

2. Truck rental disallowed to operator. Previously submitted and documented, total truck repair for 60 days $261.31.

3. Cook and Food report 2

Cook $204.51 (Tax 2% $4.09 omitted with this category), Food $226.57, total $431.08.

Report 1 disallowed $136 for food because of lack of documentation. Examination of vouchers submitted in December showed Food, report 1 to cost $170.42. Cook and Food Report 2 Costs to date $204.51, 226.57, $170.42, $120.00, total $721.08 for 231 man days. The $302.50 for Cook and Food supplies is only a part of the cost to the Corporation. When the Cook and Food Amendment 10 became retroactive at $8.00 per man day the Corporation read it as exactly that. The Corporation requests a clarification of why $8.00 per man day was written into the Amendment 10 but not allowed by the Denver offices. MF 104 report 2 has been revised to meet objections to man days in cook and food. Truck repair has been substituted for truck rental.

MF 104 - A, is now submitted with a request to process allowables at once, please.

NORTHWESTERN MINERALS, INC.

Peggy Keenan, President

Peggy Keenan, Pres

December 3rd. 1955

RECEIVED
APR 9 - 1956

PRO RATED LABOR, MONTH 2.

1. Transport and Handle Gravel included in Contingency.
(The labor cards submitted and reimbursed in report I. ended October 22. The labor cards in report 2. began Oct.23.)

		Gross Laber
October 20 through 26	Wm.H. Rummans	$ 73.20
October 24 through 29	Gus Nemitz	74.30
October 27 " Nov.2	Wm.H. Rummans	66.63
October 31 " Nov.5	Gus Nemitz	73.28
November 3 through 9	Wm.H. Rummans	52.00
November 7 " 9	Gus Nemitz	37.12
Laber errors total $ 7.45 prorated 1/3		2.38
		$403.59

2. Excavation Test Pit.

October 23 through 29	Allison Kehler	65.44
October 24 " 29	Arthur Bailie	53.86
October 29	John S. MacDonald	10.00
October 31 through Nov 5.	Allison Kehler	46.88
November 7,8,9	Allison Kehler	33.46
Laber errors prorated 1/3		2.38
		$212.02

3. Set up and Process Mill Run.

November 10,11,12,13	Gus Nemitz	66.62	
November 10 through 16	Wm.H. Rummans	101.73	
November 14, 16	Edd Nelson	28.75	
November 14 through 19	Allison Kehler	92.74	($90.76 +$1.88)
November 17,18,19	Wm. H. Rummans	35.72	
November 14	Gus Nemitz	13.72	
November 16, 17, 18	John S. MacDonald	33.75	
		$373.03	

December 3, 1955

Item 2 Report 2, Labor and Supervision - MF104

(Labor charges in report 2 start Oct.23rd. Explanation of pro rated labor charges for report 2 (Oct. 23rd. through Nov.20th. See Progress report and Vouchers.)

1. Transport and handle gravel pro rated labor.
   (as per Monthly Progress Report 1,
   this item charged to Contingency,
   see attached break-down) $403.59

2. In support of the cost of excavation of
   13¼ feet of Test Pit gravel work
   during Month 2 Phase II, as
   per contractors agreement dated
   Sept. 26, 1955 (price $25.00 per foot),
   labor is pro rated to be $212.02

   Included in cost of backfilling of Test pit

   Other charges:

Pump rental	$41.85	
Welding caisson	8.00	
Lumber for gravel Storage bins	15.82	
Repair hoist bucket	6.50	
Plumbers Items repair pump, exhaust and hose	5.25	
Unions, nipples	1.34	
Gasoline pump	10.65	
	$89.41	$ 89.41
		$265.59

   When 13¼ feet Test Pit excavation
   is allowed at $25.00 a foot the
   Report 2 work is $331.50

   Costs listed in support of
   contractors work, outside of
   process mill run $265.59

   Balance left for mill run ..... $ 65.91

3. Set up and process mill run.
   Cost of labor pro rated report 2,
   Phase II, charged to process mill run $373.03
   Small costs ..... $ 32.00

   $375.03
   Balance left for mill run (13¼ feet excavation)..... $ 65.91
   $309.12

   Rental cost of Humphrey Spiral unit $200.00
   Rental cost of Classifier, and other equipment...$ 75.00

   Total cost to date on process mill run $584.12

December 3, 1955.

Claim for Cook and Food

With reference to Disallowance from the Denver DMEA office item (c) "Cook and Food" for $136.00 and with reference to Amendment 10, effective Sept. 1, 1955:
Claim by Northwest Defense Minerals for Progress Report 1 - record of Man Days, "Meals and Quarters" or "Cook and Food" at $8.00 per Man Day is:

Gus Nemitz, Panner	28 Man Days	
R.M. Atwater Jr. Supervising Engineer	14 " "	
Allison Kohler, Miner	17 " "	
Arthur Bailie , Miner	16 " "	
John S. Mac Donald, Miner	1 " "	
Wm. H. Rummans, Truck Driver	32 " "	
Ruth Rummans, Cook	32 " "	
	140 " "	$1130.

Record for Progress Report 2 -

Record of Man Days, "Meals and Quarters" or"Cook and Food" at $8.00 per Man Day

Gus Nemitz, Panner	15 Man Days	
Allison Kohler, Miner	22 " "	
Wm. H. Rummans, Truck Driver	20 " "	
Ruth Rummans , Cook	23 " "	
R. M. Atwater Jr.	5 " "	
Ed.Nelson	3 " "	
John S. Mac Donald	3 " "	
	91 " "	$728.

December 3, 1955

Error in Labor, Report 1, Submitted for Adjustment.

RECEIVED
APR 9 - 1956

In computing the Sept. 27th. to Nov. 6th. labor vouchers and checks for Wm. H. Rummans and Ruth Rumans, the operator was in error.

Labor vouchers submitted were re-imbursed. However, the Rummans vouvhers were paid only for Sept. 27, 28, 29, 30, Oct. 1, 3. The 4 and 5 of Oct. were included in the vouchers as a 6 day week but, actually they worked 8 days. The 4 and 5 of Oct. have since been paid by check Nos. 361, 362, by the Corporation.

In submitting the "Cook and Food" item in Reports 1 and 2 according to Amendment 10 effective Sept. 1, 1955, all payments to Ruth Rummans cook are now included in the $8.00 per man day basis. Therefore we are not requesting payment to Ruth Rummans of $13.32 for the error of Oct. 4 and 5, but we are requesting payment for Wm.H. Rummansfor $20.00 for Oct. 4 and 5, who was then working for $1.25 per hour.

Since the Operator has submitted the per man day figures on "Cook and Food", the cooks gross salary $120.00 for three weeks, for report 1 already reimbursed should now be subtracted on the same basis, no gross salary is requested for Cook on Report 2.

RECEIVED
JAN 9 1956
Dept. of Interior
Bureau of Mines
Rapid City,
South Dakota

PROGRESS REPORT NO. 2

RECEIVED
APR 9 - 1956

NORTHWEST DEFENSE MINERALS, INCORPORATED

(Formerly Keenan Properties)

D.M.A. PROJECT Idm E-58 Docket 654X

EXPLORATION

R.M. ATWATER, JR.
CHADDS FORD, PA.

BUREAU OF MINES OBSERVER

E. O. BINYON
CHIEF OF FIELD TEAM 3
RAPID CITY, SOUTH DAKOTA

RECEIVED
APR 9 - 1956

PROGRESS REPORT 2.

Beaver Creek - MS 392

Commencing October 24th, 1955 and lasting through November 21, 1955 work was carried on under the supervision of the undersigned. The excavation of a further 6¼ feet of the test pit on Beaver Creek, MS 392, was continued in the second month to a total depth of 18¼ feet. The work was hampered by an excess of underground water and large boulders. Samples were panned periodically for values. Sandstone bedrock was encountered at approximately 18 feet. It was broken up with hammer and pick and recovered by hoisting up large size slabs. The adhering gravel was carefully washed and scraped by steel brush from the bedrock slabs. In spite of the flow of water, every effort was made to recover the bedrock sand.

The excavated gravels were transported to the Northwest Defense Minerals, inc. mill, tagged and stored in bins. The bedrock washings were transported to the mill in a large tub and processed separately from the rest of the caisson gravel. The processing of the Beaver Creek gravel is described elsewhere in this report.

Bear Creek - MS 398

As suggested by the undersigned and agreed to by the field engineer, the test pit excavating equipment and Caissons were transported back to Bear Creek and a test pit started approximately 10 feet upstream from churn drill hole No. 1. The excavation continued until November 10, to a depth of 7 feet, where decomposed porphyry was encounted. During the excavation period black sands were encountered at approximately 4 feet in depth and continued for 3 feet. Peculiarly, a steady stream of water was flowing upstream and appeared to be carrying the black sands. The test pit was finished November 10, at a depth of 7 feet.

With reference to the Bear Creek test pit observation in the Report one on the page entitled "Test Pit Versus Churn Drill Holes.":

It is the recommendation of the undersigned that in the event test work and exploration continues, a trench to bedrock should be excavated across the creek bed by bulldozer in Bear Creek near the site of the 1955 work and that bedrock in this area should be examined. In fact, it is recommended by the undersigned to eliminate the use of churn drill holes and excavate the gravels by bulldozer or dragline and channel the trenches every 10 feet for samples.

Mill Process

As previously outlined in flow-sheets submitted to the Field Engineer, and described in the Progress Report No.1, the undersigned planned to reduce the gravel samples to concentrate form suitable for assaying. The equipment needed for this work was delivered to the company's mill building and installed on November 10, 11, and 12, ready for use.

This equipment consisted of feed bin, to hold each sample in turn for hand shovel delivery to a trommel screen, (openings 3/16" by 1 1/4") run at adjustable speed. The undersize flowing to a single rake Dorr classifier. The sand product from the latter was planned to be fed to a Denver Duplex 12" by 18" mineral jig. The classifier overflow (slimes) was fed to a full size Humphrey's Spiral Unit.

The trommel oversize flowed to a steel wire screen (stationary) with 3/8" square holes, the undersize to mineral jig, the oversize to tails.

The concentrate samples for assay were planned to include:

1.) Minus 3/8" plus 3/16" coarse gravel.
2.) Minus 3/16" Dorr Classifier sand.
3.) Humphrey's Spiral slimes.

All to be assayed for gold, tin, columbite, tantalite and scheelite.

Water supply was obtained from a mine shaft in the same building using a plunger pump. Four gasoline engines were installed under cover in customary mill type buildings with concrete floor, plank sides and sheet-iron roof.

On the night of November 12, an unprecedented cold wave blew in from Canada, resulting in continuous below zero temperature (15° to 20° below zero) lasting without let up until late on the 17th, which seriously hampered and delayed the work planned.

All of the gravel samples were frozen hard in their separate containers in spite of a large stove set up in the 12' by 24' room containing the equipment. Ice formed wherever water was not in motion. The water supply pump broke down—cylinder clogged with ice.

In spite of every effort we were able only to run through 1¼ cubic yards of gravel from the lower section of the caisson pit of the Beaver Creek test.

The cold was so intense that we were forced to haul the minus 3/16" Dorr classifier sand by truck to Spearfish, South Dakota. At Spearfish, working conditions were favorable with city water and electricity available. The rake product sand from the Dorr classifier was hand fed to a 4" by 6" Denver laboratory jig set up in a provate house at Spearfish. 8 6/10 wash tubs of minus 3/16" sand measured .62 cubic yards. The jig produced a rougher concentrate that weighed 41 pounds, 13 3/4 ounces. The rougher concentrate was re-run twice over the mineral jig. The first re-run produced a high grade concentrate that weighed 3 pounds, 14 3/4 ounces. Examination of this concentrate by mineralite indicated a high scheelite content. Vanning tests showed the presence of several pieces of amalgam along with considerable clean particles of gold, both coarse and fine. Visual examination indicated a high cassiterite content with some columbite-tantalite particles. A magnet test showed the presence of considerable magnetite.

The second re-run over the mineral jig with reduced water pressure produced a fine screen size black concentrate that weighed 1 pound, 15 ounces. A magnet test indicated a high magnetite content. Visual tests by mineralite

were negative so far as scheelite was concerned. No gold was observed.

A 1/8" wedge bar screen with 3/16" and 1/4" steel shot was used as a bed on the 4" by6" Denver mineral jig. Hence, all plus 1/8 inch mineral particles were retained on the screen. At the end of the run the jig bed material was carefully panned. The steel shot being removed with a magnet. The jig bed concentrate produced weighed 2 pounds, 7 1/2 ounce. Visual examination revealed values in cassiterite, columbite, tantalite, with a few pieces of scheelite.

The bedrock gravel and rock material was given the following treatment. All rocks were washed and scrubbed with a wire brush. The fines and gravel was hand concentrated in a gold pan. The bedrock material washed from the broken up bedrock slab rock measured 1.25 cubic feet.From this, 1 pound, 4 3/4 ounces of pan concentrates was produced. Visual tests with a mineralite indicated considerable scheelite. Values in cassiterite and columbite were observed and checked with a scratch plate. A magnet test showed that considerable magnetite was present in the finer screen sizes.

Screen analysis of jig and bedrock pan concentrates.

Screen Size	Jig Conc.	Bedrock Pan Conc.
On 4	0.285 %	1.532%
On 8	2.239 %	10.085 %
On 16	14.785 %	19.587 %
On 30	27.990 %	20.280 %
On 50	39.530 %	18.931 %
On 100	13.847 %	21.247 %
Pan	1.324 %	8.335 %

Examination of the two screen tests shows considerable variation in sizing. The variation is no doubt due to the limiting bed screen on the 4" by 6" jig. The plus 1/8 inch minerals are contained in the jig bed concentrate which was not given a screen test. The number 2 jig concentrate likewise was not given a screen test. Visual examination of No. 2 concentrate indicated that the sizing was all minus 30 mesh and contained mostly tourmaline and magnetite. Assay will prove or disapprove this assumption.

The Humphrey spiral products produced from the Dorr classifier overflow slimes were made, not for the purpose of attempting to produce a saleable concentrate, but to determine the loss in fine mineral sizes if any, in the slime material. With this objective in mind a wide cut was made from five splitters on the spiral unit.

Spiral Concentrate Produced.

No. 1 Splitter	7 pounds, 15 ounces
No. 2 Splitter	5 pounds, 13 ounces
No. 3 Splitter	7 pounds, 5 ounces
No. 4 Splitter	1 pound , 3 ounces
No. 5 Splitter	8 pounds, 15 ounces

(5)

DMEA
Date Rec'd
MAR 12 1956
BUREAU OF [illegible]
Denver, [illegible]

[illegible] INTERIOR
[illegible]
[illegible]

Administration [illegible] Difference Statement

Date: [illegible]
Payee's [illegible]
Reference [illegible]

[illegible]

APR [illegible]

Upon examination of the above Payee's [illegible] found which [illegible] necessary to suspend [illegible]

Amount Claimed [illegible]

Difference [illegible]

Amount Approved [illegible]

The reason for the difference is as follows: [illegible]
Disallowed total amount [illegible] unable to reconcile the [illegible]

Truck rental [illegible]
Northwest Defense [illegible]

Disallowed [illegible]

[illegible]
[illegible] allowable items for payroll [illegible] $[illegible].02 claimed for labor, and [illegible] and $[illegible].00 [illegible]

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N.E.Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
MAR 14 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct.29 to Nov.22 195 5 Docket No. DMEA 654X Contract No. Idm E - 58
Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium-
Address Spearfish, South Dakota Tantalum, Tungsten, Gold
Contract Amount, $ 29931, Phase II Government Participation: 90 % Amount, $ 26,937.90

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		1742.50	1742.50			
Bulldozing						
Crosscutting						
Drifting						
Labor						
Test Pit Caisson-costs	265.59	disallowed	265.59			
Mill Run Process	584.12		584.12			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	600.00	700.00	1300.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	100.00	78.14	178.14			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental Total Truck Repairs	261.01		261.01			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous Eng. Trav. Exp.	181.86	127.11	308.97			
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance		120.				
Cook and Food	431.08	170.	721.08			
Supplies and Food	202.50		202.50			
(8) Contingencies (specify):						
Labor Transport $403.59, Parcel Post 5.50 Assayor 2% Gross Labor 19.18	428.27	630.50	1058.77			
TOTALS	3054.43	3568.25	6622.18			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec-10 *Payee Northwest Defense Minerals Inc

Per Peggy Keenan Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF–104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF–104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF–104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF–104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF–200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF–200; and delete word "Independent" if the contract reported is on Form MF–200 (A). Also, report work paid for on a unit basis under contract Form MF–200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF–104 when submitted for reimbursable expenses incurred under contract Form MF–200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF–200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF–104 is required to be documented. The four copies of Form MF–104 are not to be thus supported.

Form MF–104 submitted for reimbursement under fixed price contracts on Form MF–200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF–104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1157
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
MAR 14 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.29 to Nov.22 195 5 Docket No. DMEA 654X Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium

Address Spearfish, South Dakota Tantalum, Tungsten, Gold

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Churn				1742.50	348.50	5.00	16.00	5.50
Mill Run Process		584.12		584.12	1.25cy	584.12		
Panned Auger					1.25cy			
Truck Repair		261.01		261.01				
Trenching								
Test Pits Caisson	Feet	265.59	13.25	265.59	31.25	25.00	180	25.00
Roads Rail Services	Day	600.00	12	1300	26	50.00	100	50.00
Cook and Food $6.67		431.08	140 man days	721.08	231 man days	8.00	687	8.00
Cook and Food Supplies		202.50		202.50				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Gas and Oil		100.00		178.14				
Equipment Purchased Engineer Travel, Exp.		181.86		308.97				
Under Rehabilitation and Repairs Labor Transport Parcel Post		428.67		1058.27				
New Buildings, Improvements, etc. Assay, 2% Labor								
TOTAL COSTS		3054.43		6622.18				29,931.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date ..... Operator .....

Per ..... Title .....

REMARKS: No equipment allowed purchased, rehabilitation and repairs none.

Phase II only. Original Contract $100,000 Gov. participation 90%.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Notes on M F 104

March 6, 1956.

Oct. 29 to Nov. 22, 1955

1. Test Pit Caisson and Labor Costs.

Report 2 claims $265.59
Report 1 claimed $456.25 which was 18.25 feet @ $25.00 a foot. Labor in report 1 in Contingencies was for the unforeseen transportation cost from Creek to Mill of drums for storage of concentrates. NIM, Inc. requests a ruling, as the cost of mill run process is included in the $25.00 a foot, allowed. Report 2 shows $584.12 cost of mill run (see page previously submitted dated Dec. 3, 1955, title Item 2 report 2 Labor and Supervision MF 104.) As the whole mill run set up was charged and is still available could this be charged to contingency?

2. Truck rental disallowed to operator. Previously submitted and documented, total truck repair for 60 days $261.01.

3. Cook and Food report 2

Cook $204.51 (Tax 2% $4.09 omitted with this category), Food $226.57, total $431.08.
Report 1 disallowed $136 for food because of lack of documentation. Examination of vouchers submitted in December showed Food, report 1 to cost $170.42. Cook and Food Report s Costs to date $204.51, 226.57, $170.42, $120.00, total $721.08 for 231 man days. The $202.50 for Cook and Food supplies is only a part of the cost to the Corporation. When the Cook and Food Amendment 10 became retroactive at $8.00 per man day the Corporation read it as exactly that. The Corporation requests a clarification of why $8.00 per man day was written into the Amendment 10 but not allowed by the Denver offices. MF 104 report 2 has been revised to meet objections to man days in cook and food. Truck repair has been substituted for truck rental.
MF 104 - A, is now submitted with a request to process allowables at once, please.

NORTHWEST DEFENSE MINERALS, INC.

Peggy Keenan, President

Peggy Keenan, President

12-5-55 [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

November 29, 1955

RECEIVED
DEC - 1 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 654X, (Tin, Columbium, Tantalum, Tungsten) Contract Idm-E58, Northwest Defense Minerals, Inc., Lawrence County, South Dakota

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the period October, 1955.

E. N. Harshman

E. N. Harshman

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: November 30, 1955
Payee's
Reference: October 1955

Northwest Defense Minerals, Inc.
Spearfish, South Dakota

Gentlemen:

Upon examination of the above Payee's reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$ 4,100.52
Difference	$ 766.93
Amount Approved	$ 3,334.59

RECEIVED
DEC - 1 1955

The reason for the difference was due to:

Disallowed total amount due and for which Payee's Voucher Number 2 was issued as this office is unable to reconcile the documentation with the amount claimed.	150.25
Payee's total disallowed amount as this check is issued by the Northwest Defense Minerals, Inc.	150.00
Disallowed amount claimed for fuel hauled as documentation is incomplete	250.00
Payroll taxes disallowed- The allowable total for payroll tax purposes are $21.52 claimed for Labor, and Foreman and $28.00 claimed for Cook's salary.	49.68

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N.E.Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

November 23, 1955

Memorandum

RECEIVED
DEC - 1 1955

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 654X, (Tin, Columbium, Tantalum, Tungsten) Contract Idm-E58, Northwest Defense Minerals, Inc., Lawrence County, South Dakota - Operator's Monthly Progress Report for the period October, 1955

Enclosed are the original and four copies each of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

A portion of the work has been accomplished as authorized in the contract and payment is recommended for 90 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Disallowances

(a) Item (1) "Test Pit Caisson"
Disallow the full amount of $456.25 claimed for this item which is the actual test pit sinking. This office is unable to reconcile the documentation with the Operator's claim. The Operator is doing the work on company account rather than by independent contract and the matter has been referred to the Washington Office. Refer to Amendment No. 3, Exhibit A.

(b) Item (4) "Rental Truck"
Disallow the full amount of $160.00 claimed for truck rental. The documentary material includes a copy of a "Rental Contract" which is not applicable as the truck is owned by Northwest Defense Minerals, Inc.

(c) Item (7) "Cook and Food"
Disallow $136.00 which is the amount claimed for food. This item is not documented other than a listing of checks paid to various grocery stores.

(d) Item (8) "Compensation 2% Payroll"
Disallow $13.68 of the amount claimed for payroll taxes. The allowable items for payroll tax purposes are
(1) the amount of $321.02 claimed for Labor and Foreman, and
(2) the amount of $120.00 which is the salary of the camp cook and is included under "Cook and Food"

Note: Payment is approved subject to audit by the Contract Administration and Audit Division, DMEA

Remarks
Date of Report- - - - - - - - - - - - - - - - - October 28, 1955
Date Received in Field Office- - - - - - - - - November 7, 1955
Date Received in Region Office- - - - - - - - November 18, 1955

W. M. Traver

By J. W. Townsend

Enclosures
JDC:jy
cc: MF-104 File E58
Sec. Op. Comm. (2)
Binyon
Townsend)
Cooper) w/copy engr's. report
Chron.

Rapid City Experiment Station
School of Mines Campus
Rapid City, South Dakota

November 16, 1955

RECEIVED
DEC - 1 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: E. O. Binyon

Subject: Progress Report October 1955, Docket DMEA 654X (Tin, Columbium-Tantalum-Tungsten) Contract Idm E58, Northwest Defense Minerals Inc., Lawrence County, S. Dak.

Transmitted herewith are the original and four copies of the following:

1. Bureau of Mines Engineers Narrative Report
2. Operators MF104 and MF104A
3. Operators Exploration of Contingencies
4. Operators Progress Report by Miss Peggy Keenan
5. Engineers Progress Report with Map
6. Miscellaneous Invoices
7. Copy of contract with W. O. Fellmore for dozer
8. Copy of the churn drilling contract with Kenneth Ellingson

Also enclosed are four extra copies of the Bureaus Engineers Narrative reports.

The operators reports and maps which were first submitted October 31, were returned for correction on November 4. The corrected report and map were resubmitted on November 7 and 9 respectively.

The work was done in conformance with the terms of the contract and it is recommended that the government's share of the cost (90 percent participation) or $3,735.47 be paid.

E. O. Binyon

cc: W. M. Traver
files

Rapid City Experiment Station
School of Mines Campus
Rapid City, South Dakota

November 16, 1955

RECEIVED
DEC 1 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: E. O. Binyon

Subject: Progress Report for October 1955, Docket DMEA 654X, Contract Idm E58, Tin, Columbium-Tantalum-Tungsten, Northwest Defense Minerals Inc., Lawrence County, S. Dak.

The project was inactive from September 22, 1951 when the field work under Phase I was completed until September 27, 1955 when Phase II was started.

During the period covered by the report four visits made to the property to check road conditions and the location of drill sites and to observe the overall operation.

The monthly report was delivered to this office by Miss Peggy Keenan, president of the company, on October 31 and a field check of the work was made November 1. As the report had numerous errors and also included several items not provided for by the terms of the contract, it was returned for correction in person on November 4. Some time was spent in pointing out the obvious errors and in explaining that certain items could not be included for payment.

The work covered by the report includes dozer work on the Bear Creek road to the drill site on 70 flats, drill site preparation on Bear and Beaver Creeks, churn drilling and test pitting, churn drilling was done under contract and the test pitting, as well as the handling and storage of samples, was done by the company. Four men, a foreman, and three laborers were employed in digging the pits and handling and storing of churn drill and test pit samples.

As shown on the map accompanying the report, the first rows of holes on Bear and Beaver Creek are located within the area designated by the contract and the locations were approved by this office.

The churn drilling as mentioned was done under contract by Kenneth Ellingson at a price of $5.00 per foot. A copy of the contract is included with papers submitted with the report.

The holes and depths are as follows:

Bear Creek		Beaver Creek	
Hole No.	Depth	Hole No.	Depth
1	21	1	18
2	23	2	19
3	26.5	3	19
4	22	4	19
5	22	5	16
6	30	6	16
7	8	7	20
8	20	8	17
9	15	9	17
	187.5		161

Total churn drill footage - 348.5.

The test pits on both Bear and Beaver Creeks (located as shown on the map) were incompleted. The pit on Bear Creek was sunk to a depth of 6½ feet when either a porphyry boulder or bedrock was encountered and the pit abandoned. Another pit location was selected and opened. The footage reported for the pit on Beaver Creek is 12 feet and is correct, and the total test pit footage allowed is 18.25 feet at the price (maximum) set in Amendment 3 Exhibit A.

The contract makes no provision for dozer work; road repair and drill site preparation, however this seems to be an allowable item under the contingency fund since the work actually was necessary. Therefore the item $263.50 for this work is allowed. Also $321.02 shown for foreman and labor has been allowed as a charge against contingencies.

Although the contract price for churn drilling and test pitting includes washing concentration of the samples and separation of free gold from the concentrates, there is no provision for handling and storage of the samples and therefore the $381.02 has been allowed to cover the cost of this work. The amounts for the purchase of the drum and cleaning are allowed for the same reason.

The operator understands that the expense of washing and concentration of the samples and separation of free gold from the concentrates is included in the price per foot for churn drilling and test pitting and that no other funds are available for this work.

Other items such as technical services and engineer's travel expenses, meals and quarters and rental of the truck have been allowed at the rates specified in the contract.

It is recommended that the operator be paid $3735.47, or the government's share at 90 percent participation of $4150.52 the cost of the work completed and lowered by the October 1955 report.

E. O. Minyon

cc: W.H. Traver and files

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 27 October 28, 1955 Docket No. DMEA 654x Contract No. Idm E-58

Operator's Name Northwest Defense Minerals, Inc. Mineral Tin, Columbium, Tantalum, Scheelite, Gold

Address Spearfish, South Dakota

Contract Amount, $29,931.00 Phase II Only Government Participation 90 % Amount, $26,937.90

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1742.50		1742.50			
Bulldozing	263.50		263.50			
Crosscutting						
Drifting						
Test Pit Caisson	456.25		456.25			
(2) Labor and Supervision:						
Labor & Foreman	321.02		321.02			
Supervision						
Technical Services	700.00		700.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	78.14		78.14			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental Truck	160.00		160.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Engineer Travel Exp. Sampling and Analysis	127.11		127.11			
Payroll Taxes						
Liability Insurance						
Cook and Food	256.00		256.00			
(8) Contingencies (specify):						
Steam Drums	23.50		23.50			
Compensation 2%	22.50		22.50			
Payroll						
TOTALS	4150.52		4150.52	3384.59		3384.59

RECEIVED DEC - 1 1955

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Oct 28 1955 *Payee Northwest Defense Minerals Inc

Per Tony Keenan Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

**Contingency (see attached sheet)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$3046.13

Signature RCC
(Authorized Certifying Officer)

Date 11-28-55 Vou. No. DMA-56-45
(See other side)

(For Government use only)

For payment of $3,755.47

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E58 in accordance with the terms of the contract.

Signature E O Bunyon Title Mining Engineer Date November 16, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for Wm. Tiser Title Executive Officer Date NOV 22 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
DEC 1 1955

Month of Sept 27 ~~Oct 28~~ 1955 Docket No. DMEA 654x Contract No. DMCE-58

Operator's Name Northwest Defense Minerals, Inc. Minerals Tin, Columbium, Tantalum, Tungsten, Gold

Address Spearfish, South Dakota

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn	Feet	1742.50	348.5	1742.50	348.5	5.00	1600	5.50
Auger								
Stripping								
Trenching Equip.Rent	Mon.	160.00	1	160.00	1	160.00	3½	160.00
Test Pits	Feet	456.25	18.25	456.25	18.25	25.00	180	25.00
Roads and Trails Tech.Ser	Day	700.00	14	700.00	14	50.00	100	50.00
Board-Quarter	Day	256.00	32	256.00	32	8.00	687	8.00
TOTAL DISTRIBUTED COSTS		3314.75		3314.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs Gas & Oil		78.14		78.14				350.00
New Buildings, Improvements, etc. Engineer Travel		127.11		127.11				1000.00
Contingencies Labor-Tax-		630.52		630.52				2000.00
TOTAL COSTS Dozer		4150.50		4150.50				29,931.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Oct 28 1955 Operator Northwest Defense Minerals Inc

Per Gary Keenan Title President

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS: No equipment allowed purchased rehabilitation and repairs none. A second pump was rented to overcome the hazards of underground water flow. The 2" pump capacity was 7000 gal. per min.

Phase II only, Original Contract $100,000 Gov. participation 90%.

(For Government use only)

E. O. Binyon

E. O. Binyon

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED
DEC - 1 1956

EXPLANATION CONTINGENCY:

Item 2. The engineer found it necessary to load in truck and transport to the Northwest Defense Minerals, Inc. mill the cuttings from the churn drill holes which were placed in drums by the churn drill contractor. Each 6 foot of sludge was stored separately in the containers marked with paint. The drums were heavy, and as approved by the Rapid City Office, were removed from the truck and stored in the mill. The distances from the drill site were from 2 - 4 miles.

The gravel excavated from the Caisson Test Pits was shovelled into the truck (on canvas). Bins of lumber were put up in the mill and the gravel stored in the bins which were marked in paint. Each bin contained one Caissons worth of cubic feet.

The churn drill cuttings were stored in drums. The area was barren of drums, oil drums were steamed completely free of oil. Some drums were secured free at National Lead near Belle Fourche.

A flat top truck was commandeered and the Caissons, timber and equipment were transported from one Creek site to another, a distance of several miles.

Northwest Defense Minerals, Inc.
Peggy Keenan, President
Peggy Keenan, President

Mistake in payroll which will be corrected in next Progress report.

Chk. No.	Gus Nemitz 10/9-10/15	Owe him $1.02
Chk. No.	Allison Kohler 10/11-10/15	over paid $1.00
Chk. No.	Arthur Bailey 10/16-10/22	under paid .40
Chk. No.	Wm.H. Rummens 10/9 - 10/15	under paid 4.55 O.T.

PROGRESS REPORT

NORTHWEST DEFENSE MINERALS,
INC.

(Formerly Keenan Properties)

****

D. M. A. Project Idm 258 Docket 654X

EXPLORATION

RECEIVED
DEC - 1 1956

R. M. ATWATER, JR.
CHADDS FORD, PA.

Bureau of Mines Observer

E. O. BINYON
CHIEF OF FIELD TEAM 5
RAPID CITY, SOUTH DAKOTA

PROGRESS REPORT

NORTHWEST DEFENSE MINERALS, INC.
(Formerly Keenan Properties)

D. M. A. Project Idm 2-58 Docket 654x Exploration.

RECEIVED
DEC - 1 1955

R. M. ATWATER, JR.
CHADDS FORD, PA.

Bureau of Mines observer, E. C. Binyon, Chief of Field Team 5, Rapid City, South Dakota.

LOCATION:

M. C. Placer No. 393, Lawrence County, South Dakota approximately 12 miles southwest of Spearfish, South Dakota.

SCOPE OF TEST:

To determine the mineral content of the placer sand and gravel for values in gold, silver, tin (cassiterite), tungsten (scheelite), columbium, (columbite), tantalum (tantalite).

The D. M. A. project called for a line of 9 six inch diameter churn drill holes spaced 50 feet on centers across the valley and drilled into bedrock where the enriched minerals are found.

The location 700 feet west of the east boundary of MC 393 on Bear Creek compass bearing of the line of holes N ~~45~~ 74 E.

Kenneth Ellingson of Spearfish, South Dakota was engaged to drill the holes. A Bucyrus Erie 22W rig was moved on to the property and hole No. 1 was started on October 3, 1955. Six inch heavy duty steel pipe was driven into the gravel and subsequently, drilled out using standard cutting cable tools. All of the sludge and cuttings was removed from the holes with a bailer and was placed in steel drums for subsequent concentration of values and assay. All drums were sealed, marked and were transported to the Northwest Defense Minerals, Inc. mill building located 14 miles from Spearfish, South Dakota. All material removed from the drill holes will be stored at this location. Concentration of mineral values will be instituted after the drilling program has been completed.

Prior to the drilling of hole No. 1, a test hole was drilled near Hole No. 1. The purpose, to secure material to test the amenability of a 4" x 6" Denver Mineral jig for recovery of the contained values.

The test hole was drilled to a depth of 22 1/2 feet. Depth 21 1/2 to 22 1/2 was in bedrock. All of the cuttings and sludge from 12' to 22 1/2' was run through a Denver 4" x 6" Mineral jig set up at Spearfish, South Dakota.

Much of the material had been ground to slime by the cutting tool. Zero settling was observed at the end of a 12 hour period, the time lapse between the period of transportation of the drill sludge to Spearfish and the starting of the jig test.

The sludge was slowly fed to the laboratory jig. The overflow from the jig (tailings) was run into a large galvanized wash tub with the tailings

sand being recovered in the tub. Overflow water from the tub was run to waste and was not saved. Concentrates were recovered in the jig hutch.

Observations indicated that a very fine black material was being lost in the overflow from the tailing tub. This very fine silty material was re-run through the jig at reduced water pressure at the end of the jig test.

The rougher hutch concentrate was up-graded by careful panning in a gold pan. The final concentrate was placed in two small glass screw top containers and was delivered wet to Peggy Keenan, President of Northwest Defense Minerals, Inc., on October 8, 1955.

Upon completion of the jig test the tailings and rejects from concentrate panning was placed in a steel drum. It is recommended that this material be re-run in a Humphrey Spiral concentrator. This recommendation in lieu of the very fine nature of the mineral values.

REPORT ON DRILL HOLES

No. 1 Test Hole -- see Jig Test run above.

M. C. 393
HOLE NO. I
DATE--OCTOBER 3, 1955
DEPTH--22 1/2 FEET

0' to 6'	1 - 15 gal. drums of sludge
6' to 12'	2 - 15 " " " "
12' to 18'	2 - 15 " " " "
18' to 22 1/2'	1 - 15 " " " "
	1 - 5 " " " "
	(Drums not full)

HOLE NO. 2
DATE-- OCTOBER 8, 1955
DEPTH-- 23 FEET

6 drums of sludge

HOLE NO. 3
DATE-- OCTOBER 8, 1955
DEPTH-- 26 1/2 FEET

7 drums of sludge

HOLE NO. 4
DATE-- OCTOBER 9, 1955
DEPTH-- 22 FEET

6 - 15 gal. drums sludge

HOLE NO. 5
DATE -- OCTOBER 9, 1955
DEPTH -- 22 FEET

4 - 15 gal. drums
2 - 15 gal. drums

HOLE NO. 6
DATE -- OCTOBER 10, 1955
DEPTH -- 30 FEET

HOLE NO. 8
DATE -- OCTOBER 10, 1955
DEPTH -- 20 FEET

4 - 40 gal. drums sludge

HOLE NO. 9
DATE -- OCTOBER 11, 1955
DEPTH -- 15 FEET

1 - 55 gal. bbl. sludge
2 - 15 gal. cans sludge

RECEIVED
DEC 1 1955

HOLE NO. 1
DATE --OCTOBER 12, 1955
DEPTH -- 21 FEET

3 - 15 gal. drums sludge

1/3 Full

NONE OF THE DRUMS FULL.

HOLE NO. 7
DATE -- OCTOBER 11, 1955
DEPTH -- 8 FEET

2 - 55 gal. drums sludge
1/3 Full

RECEIVED
DEC - 1 1956

LOCATION:

M. S. Placer No. 392, Lawrence County, South Dakota, approximately 10 miles southwest of Spearfish, South Dakota.

SCOPE OF TEST:

To determine the mineral content of the placer sand and gravel for values in gold, silver, tin, tungsten, columbium and tantalum.

The D. M. A. project specified a line of 9 holes, six inch in diameter, drilled with a churn drill. These holes to be spaced at 50 foot intervals across the valley and drilled to bedrock. Exploration by churn drill results in the removal of a sample in a pulverized condition, due to the cutting action of the bit. To insure a sizeable sample of the creek bed gravel in which the original physical characteristics of the sand and rocks would be retained a test pit sunk to bedrock was also specified as a requirement of the exploration program.

EXPLORATION:

Nine, 6 inches in diameter churn drill holes were drilled on 50 foot centers across the valley at a location on Beaver Creek within 1500 feet below the confluence of Potato, West Deer and Beaver Creeks.

The compass bearing of the line of holes is due South 13½' West across the valley.

HOLE #1:

Date October 13, 1955
Depth 18 feet.
3-55 gallons drums of cuttings and sludge.
Each drum 1/3 full.

HOLE # 2:

Date October 13, 1955
Depth 19 feet.
3-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

HOLE #3:

Date October 13, 1955
Depth 19 feet.
3-55 gallon drums cuttings and sludge.
Each drum 1/3 full.

HOLE #4:

Date October 14, 1955
Depth 19 feet.
3-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

HOLE #5:

Date October 15, 1955
Depth 16 feet.
3-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

HOLE #6:

Date October 15, 1955
Depth 16 feet.
3-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

HOLE #7:

Date October 17, 1955.
Depth 20 feet.
6 drums of cuttings and sludge.
Each drum 1/3 full.
(This hole made considerable water).

HOLE #8:

Date October 17, 1955.
Depth 17 feet.
4-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

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HOLE #9:

Date October 18, 1955.
Depth 17 feet.
3-55 gallon drums of cuttings and sludge.
Each drum 1/3 full.

The test pit on Beaver Creek was started on October 17, 1955. Steel caisson cylinders were lowered into the pit as the sand and gravel and boulders were removed by excavating with hand tools and hoisting to the surface in buckets. Boulders and rocks were discarded after a thorough scrubbing with brush and water. All residue material from the scrubbing operation was combined with the sand and gravel removed from the pit and hauled to the Northwest Defense Minerals, Inc. mill. Here the gravel removed from each caisson shell was placed in separate storage bins and tagged for subsequent treatment for mineral values.

Several large boulders up to 2 feet in diameter were encountered between the 4 foot and the 11 foot level. The gravel below 11 feet was of finer texture and contained few boulders. Water was encountered at 5 feet and posed a problem as the depth of the shaft increased. This was due to the lowered efficiency of the pump at 6,000 feet altitude.

The three sections of caisson cylinders used represented a total of 265.22 cubic feet.

No. One, 62" x 48 1/2" - 85.02 cu. ft.
No. Two, 60" x 59" - 95.00 cu. ft.
No. Three, 60" x 56" - 85.20 cu. ft.

Test samples consisting of one shovel of gravel were periodically panned for values. Flour gold and values in tin were observed starting at a depth of 4 feet. At a depth of 6 feet, the size and quantity of the gold and tin particles increased. No attempt was made to measure the results of the pan tests. Concentration of values will be instituted at the Northwest Defense Minerals, Inc. mill upon completion of the test pit.

It is proposed to evaluate the results of the tests conducted so far in the following manner:

First all sand and gravel will be sized by screening and classifying.

After washing, all plus 3/8" material will be discarded to waste.

Plus 50 mesh sand will be concentrated in a Denver Mineral Jig.

Minus 50 mesh sand will be concentrated in a Humphrey Spiral.

This sizing procedure will insure against the loss of fines normally lost in jig or sluice concentration. The above procedure while uniform, will be applied separately to the material recovered from each individual test hole and the test pit in stages. Those concentrates recovered from each test hole will then be subjected to assay in order to ascertain the quantity of each mineral recovered, measured both on a "per yard" basis and a "per square foot of bed rock basis".

Accompanying maps, both in plane and cross section show the location and depth of the chmrn drill holes and test pit.

R. M. Atwater, Jr., Engineer
of the Project.

R M Atwater Jr.

TEST PIT VERSUS CHURN DILL HOLES

BEAR CREEK M. S. 393

On October 11, 1955 a test pit was excavated on Bear Creek to the depth of 6 feet at which depth porphyry was encountered. This indicates that the selected pit site was not in the old Bear Creek channel. Trench No. One excavated in 1951 (Phase One) by bulldozer and dragline gave the following readings as to channel depth:

Sample No. 1	depth	feet	8.5
Sample No. 2	"	"	7.5
Sample No. 3	"	"	9.1
Sample No. 4	"	"	9.8
Sample No. 5	"	"	9.8
Sample No. 6-7	"	"	21.1
Shaft No. 1	"	"	12.3
Shaft No. 2	"	"	13.5
Shaft No. 3	"	"	13.0
Sample No. 14	"	"	7.6

Test trench No. One (Phase One) is approximately 900 feet upstream on Bear Creek from the site of the October 11, 1955 test pit.

There is a possibility that the October 11, 1955 test pit encountered a porphyry reef at 6 feet depth or a sizeable block of float rock not in place geologically speaking.

It is recommended that at least one additional test pit be excavated on Bear Creek at a site approximately in the center of the valley. It is the opinion of the writer that the first pit, although located in the present channel, does not reflect a true cross-section so far as the deposit of canyon gravel is concerned. An attempt should be made to locate the second pit more nearly in the center of the deposit and to obtain a more representatime sample.

R. M. Atwater, Jr.

R.M. Atwater Jr.

RECEIVED
DEC - 1 1953

Spearfish, South Dakota
October 28, 1953

Mr. E. O. Binyon, Mining Engineer
DMEA
Department of Interior

Subject: Project 654x
Contract Idm E-58

Dear Mr. Binyon:

With reference to the Monthly Progress report dated October 28, more specifically to the 5 copies of the sketch map:

Please be advised that this is the engineer's preliminary sketch map and that he will furnish a detailed perfected map, together with the final report after assays have been received on the recovered concentrates to be processed.

Thanking you for expediting the project.

Yours very truly,

Northwest Defense Minerals, Inc.

Peggy Keenan President

Peggy Keenan, President

RECEIVED
DEC - 1 1955

Spearfish, South Dakota
October 28, 1955

Mr. A. O. Minyon, Mining Engineer
Rapid City Experiment Station
School of Mines Campus
Rapid City, South Dakota

Dear Mr. Minyon:

Thank you for your letter of October 20, 1955, and for the copy of the map of our area.

Attached please find Operators Monthly Report and Voucher with Ledger Sheets, signed Vouchers, Engineer's preliminary report, Operators Progress remarks, map, sketch and proposed process flow sheet which is a combination of Amendment "A" and Amendment 6.

I trust that you find the data and expenditures according to your directive of October 20 and according to the DMEA Contract 654x.

The underground water has steadily increased causing horrible delay. We finally found a 2" rental pump. As soon as snow permits we will proceed.

Will you kindly send me 6 copies of Operators Monthly Report and Voucher so that I may send copies to our Board of Directors?

Thanking you for your help and courtesies.

Yours very truly,

Northwest Defense Minerals, Inc.

Peggy Keenan President

Peggy Keenan, President

RECEIVED
DEC - 1 1955

October 28, 1955

OPERATORS PROGRESS REPORT

The Phase II of AEC Docket 664x Project Idm E-58 was opened Sept. 27, 1955. The Commissary and Cabins had been previously prepared for mine later and engineers, the truck was available, a churn drill contract had been signed and the equipment enroute to the Northwest Defense Minerals', Inc. mountain camp below Tinton, South Dakota, Lawrence County. A RD 18 Tractor contract had been signed and on Oct. 1 the tractor began preparing a path down the steep road and along Bear Creek so that the churn drill rig could be driven by truck about 4 miles from the County road into MS 390, 70 Flats, where the 9 specified churn-drill holes were to be driven. A path was prepared across the creek bed, rocks boulders and fallen trees were pushed aside and the drill holes were located as specified about 700 feet west of the east boundary of MS 853.

On Oct. 3, 1955 a No. 1 hole was driven. The Northwest Defense Minerals, Inc. made a test hole of this work as reported in Mr. A. M. Atwater's report. Bedrock was reported at approximately 21 ½ feet, and the drilling continued to 22 ½ feet. The drill casing was stuck tight in the bed rock and hydraulic jacks were employed. The Corporation bore the full expense of this test.

Holes 2, 3, 4, 5, 6, 7, 8, 9, and Hole 1 ranged in depth from 22 ½ feet to 30 feet. Hole No. 6 was drilled to 35 feet. Credit was given for 30 feet, the Corporation bore the expense of 35 feet. There was a recess of churn drilling during the days of Oct. 4, 5, 6, and 7 ordered by Mr. Sinyon and Mr. Traver because Mr. A. M. Atwater's arrival was delayed. The time was spent preparing bins for storage of the Test Pit gravel and collecting and cleaning drums for storage of churn drill material which was finely ground up and which was very wet and the consistency of pea soup. The Exploration began again Oct. 8 under the direction of Mr. Atwater. Mr. Sinyon and Mr. Atwater conferred on Oct. 12.

The wet material bailed from the churn drill holes was stored as reported by the engineer. Pannings were taken at intervals and black sands were noted.

On Oct. 11, the Caissons were transported to lower Bear Creek, MS 398, timber and tripod erected for bucket hoist for excavation of a Test Pit as specified. A Barnes 1 1/2" pump was rented and delivered to the site of the Test Pit. All necessary tools and mining personnel were furnished to excavate the gravel in Caisson No. 1. At approximately 5 1/2 feet in depth a decomposed porphery was noted on the down stream side of the Caisson. The black sands and gravel ceased and finally at approximately 72" the porphery covered what was reported as bed rock. Mr. Atwater, the

Engineer, ordered the Test Pit abandoned and selected a new site for Test Pit about 60 feet up stream near churn drill Hole No. 1. Mr. Binyon agreed to this by telephone. Before concurrence by Mr. Binyon, a Test Pit was begun Oct. 17 in Beaver Creek approximately 20 feet from churn drill hole No. 4 in Beaver Creek. The other Test Pit in Lower Bear has not been excavated.

The churn drill program in Beaver Creek began Oct. 13. The depth of the holes ranged from 16 feet to 30 feet. The wet material was stored as reported by the engineer. Pannings showed black sands. The program ended Oct. 18.

The Test Pit in Beaver Creek was excavated as specified. The overburden appeared to be approximately 4 feet deep. Dark looking gravel was encountered at 4 feet and continued to 7 feet where enormous boulders and rocks slowed down the work, to 11 feet. The rocks were scrubbed and residue put in proper bins. Pump trouble and weather also were obstacles. Caisson No. 2 stuck tight in Caisson No. 1 causing a delay. Caisson No. 2 was pulled and Caisson No. 3 replaced it. Water running underground was a constant annoyance and the pump was lowered by chains to meet the elevation (over 5000 feet) demand. Frequent pannings showed quantities of black sands and gold colors in every pan. Finally, with no bedrock in sight Caisson No. 2 was cut open, 2" removed and welded back together. This Caisson was then placed inside Caisson No. 3 and excavation continued. The gravels removed were stored in Bins in the mill. Each Caisson material was credited separately in space marked according to Caisson. All silt from water pumped out of the Caisson was saved and deposited in the storage bins.

A small 18" x 36" Universal Trommel screen with 3/8" holes and mounted on portable trailer has been contracted for washing the excavated gravels and screening the oversize rock and gravel out. Because of the wide difference in size of materials to be washed, the gravels must be sized as they leave the Universal Trommel.

With reference to the churn drill pulverizing the materials: The late Mr. Robert Michael, engineer, recommended a Humphrey Spiral circuit in the test process equipment in his letter to the DMEA in 1953. The DMEA granted his requests for a circuit described in Amendment No. 8 and it seems certain that a combination of recommended equipment by the DMEA engineers in Washington in Amendment A and the alternate equipment allowed in Amendment No. 8 would be acceptable. The whole problem is to set up a process to recover whatever values are in the excavated materials and still use specified equipment available and of the right size and rental price.

The fines cannot be recovered by jigging alone. The following process (a combination of A and 8) can be accomplished with equipment available nearby for nominal rentals.

Wheelbarrow and Shovel
Gravel to Hopper
Universal Trommel Screen with 3/8" holes for washing oversize to waste
Sizing of Material plus 50 Mesh
to Laboratory Denver Equipment Jig.
Minus 50 Mesh to Humphrey Spiral circuit.
This completes the process of concentration before separation specified in Amendment 8.

The operator would like to say that the rigid policy of rental only of equipment for this project works a hardship on the engineer and personnel. For example:

The Spearfish-Rapid City area of distances, bad weather, bad roads, snow etc is well-known for lack of rental equipment. The underground water running under Northwest Defense Minerals, Inc. gravels required a pump. The location of the Exploration was at 5-6000 feet and cut the efficiency of a pump ordinarily used in the Spearfish valley.

After scouting the area a rental 1 1/2" Barnes pump was found. This was inadequate from "a to Z". After wasting time and manpower and scouting for 3 solid days, an employee influenced an old school mate to rent a 2" German Rupp Centrifugal pump and the practically deluged miners returned to excavating.

The waste of time from every angle was economically unsound. The cost of the time plus the rentals would have paid for the right pump which was not available on rental. It is suggested something be done about such a policy.

Northwest Defense Minerals, Inc.

Peggy Keenan President

Peggy Keenan, President

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 58
Docket 654 X

Name of Operator Peggy Keenan d/b/a/ Keenan Properties
Docket No. DMA 654 X Idm E-58
Total Contract Amount $ 100,000.00
Government Participation: 90 % Amount, $
Distribution of Expenditures for Month of Supplemental by Amendment 9/16 - 9/30
Completion Phase 1.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MAY 21 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 23 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

RECEIVED
MAY 14 1952
BUREAU OF MINES
REGION V
MINING DIVISION

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Keenan Properties.
(Name of Company)

By Peggy Keenan
(Signature of Authorized Official)

Owner
(Title)

(Date)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF _____

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts	381.96									
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINT'

Totals

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

January 23, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Operator's Monthly Progress Report for Docket DMA-654x, Contract Idm-E58
Keenan Properties, Inc.
Spearfish, South Dakota

Here are two copies each of the monthly reports for July 16 to August 15, 1951, and for August 16 to September 15, 1951, for the subject docket and contract.

Although this project is completed as far as the Field Team is concerned, the final monthly report has not been submitted to us for audit, neither has the operator's final report on results been received.

A. B. Needham
Executive Officer
DMEA Field Team, Region V

Attachments 4

Distribution of copies of monthly report not made as of 1/22/51. Sent to Mr. Needham together with letter from Mr. Needham

Defense Minerals Administration
RECEIVED
JAN 24 1952

MF-104
(April 1951)

Budget Bureau No. 42-R1030.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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JAN 2 0 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Keenan Properties
(Name of Company)

By /s/ Peggy Keenan
(Signature of Authorized Official)

September 24, 1951
(Date)

Keenan Properties
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator: KEENAN PROPERTIES
Project No. DMA: 654x, Contract Idm E-58
Total contract amount: $100,000
Government participation percent: 90%

Distribution of Expenditures for Month of 8/16-9/15/51

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	2,206.92	3,517.41	5,724.33	2,206.92	3,517.41	5,724.33
Equipment purchase [1]	1,490.75	41.53	1,532.28	1,490.75	41.53	1,532.28
Equipment rental [2]	2,951.91	2,145.59	5,097.50	2,951.91	2,145.59	5,097.50
Buildings						
Explosives						
~~Repair parts~~	666.65	378.50	1,045.15	666.65	378.50	1,045.15
Other supplies						
Power						
Transportation						
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work						
Other (specify) *	1,102.24	191.33	1,293.57	1,102.24	191.33	1,293.57
Total	8,418.47	6,274.36	14,692.83	8,418.47	6,274.36	14,692.83
Totals previously reported	6,274.36	--	--	6,274.36	None	None
Totals to date	14,692.83	6,274.36	14,692.83	14,692.83	6,274.36	14,692.83

*Travel, telephone, telegraph, and incidental services and expenses

FOR GOVERNMENT USE ONLY

Checked by: D. H. Mullen
Entered by:
Approved by: D. H. Mullen, Supervising Engineer
Amount approved for payment: $7,576.62
Remarks:

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

10—64068-1

KEENAN PROPERTIES, INC.

Spearfish, South Dakota

Statement of Activities September 15, 1951

August 15 - September 15, 1951

Defense Minerals Administration Project
Peggy Keenan d/b/a/ Keenan Properties
Contract Idm-E58 Docket 654x

During the period August 15 - September 15, 1951, the following general work was accomplished:

Seven additional trenches, dimensions approximately 140' x 11' x 3' - 14' were excavated. Two test pits were dug on Beaver Creek. Three shafts were made. One high bar trench. Dragline, caterpillar, manual labor and caissons and trucks were employed.

Each trench was channeled approximately 10' apart, overburden to bedrock. The shafts were channeled once each. The test pits were not sampled. The high bar trench was approximately 19' deep and the excavation was through prehistoric river bed gravel to bedrock; one channel was cut.

The gravels from the sample channels 24" x 6" by the depth of the gravel were run through a test plant, several channels were combined when run. The test plant consisted of hopper, sluice, scavenger Pan American jig (no shot was used) and a second sluice. The panner removed the concentrate trapped by the first sluice and panned, amalgamated and weighed the gold recovered. Samples were reported running $1.25 - 20¢ per cubic yard. These rougher concentrates were divided to 1/32 and samples were given the operator and 2 samples for the Bureau of Mines. Judge samples were stored and "rejects" saved for a composite sample to be run at the close of the project.

Attached is a sheet "Procedure of Sampling."

Maps, and graphs were prepared of the work done. The assay reports are not completed.

September 1951

PROCEDURE OF SAMPLING

Trenches to bedrock are excavated by caterpillar or dragline across designated areas of the creek gravels approximately 150' x 9' x 3'-20'. Channels are picked every 10'--dimensions 18"x6" by depth of gravel (overburden through bedrock either 7-18" as determined by certified panner).

The gravel is estimated by volume and 2800 lbs. is regarded as 1 cubic yard. The gravel is loaded in buckets to a canvas on a truck bed and trucked to a loading platform directly by the hopper of the testing plant. Gravel is slowly shoveled to hopper and washed carefully and large rocks thrown out and canvas washed. Hopper plate has 3/8" holes. Concentrates drop through holes (specific gravity weight of metals is high) into a sluice running water controlled by valves. Sluice contains riffles made of expanded metal over 6 layers fly screen. The gangue and concentrates not trapped by riffles run further to a pulsating Pan American jig. The bed of the jig is made new each time a run is made. The concentrates running through the jig are caught in tubs containing buckets under each jig hutch for safety. Attached to the jig is another sluice to trap stray values. Tailings are run off to the ground.

Clean Up:

The fines in the riffle are panned for gold, the gold amalgamated by hand and the fines put into a tub with the concentrates from the jig. The bed of the jig from the run is washed over a screen into a tub and material in the tub added to the concentrates as above outlined. These rougher concentrates are dried, weighed in ounces and halved by quartering equipment. One half of reject is sacked, numbered and stored. The other half of it is quartered and halved equalling 1/8. The 1/8s are halved equalling 1/16. The 1/16s are halved equalling 1/32 (unless the concentrates volume is small). Four samples representing 1/32 each of the total rougher concentrates are sacked and sealed, one for the operator's (Keenan Properties, Inc.) assayer and one for checking. Two are for the Bureau of Mines assay. Judge samples are 1/8 of the half divided and judge samples are sealed and stored.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF 8/16-9/15/51

Name of operator: Keenan Properties
Project No. DMA: 654x, Contract Idm E-58
Total contract amount: $100,000
Government participation percent: 90%

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface Jig man	1		$400/month	335.40
Samplers	1		400/month	335.40
~~xxxxxx~~ Sample helpers	6		1.15/hr.	601.29
~~xxxxxxxx~~ Truck driver	1		350/month	323.08
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager	1			384.00
Superintendent				
Engineers	1			75.00
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Camp and boarding house	1		150/month	152.75
Total	12			2,206.92

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by: D. H. Mullen
Entered by:
Approved by: D. H. Mullen, Supervising Engineer
Remarks:

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF 8/16 - 9/15/51

Name of operator: Keenan Properties
Project No. DMA: 654x, Contract Idm E-58
Total contract amount: $100,000
Government participation, percent: 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting Supervision	384.00		67.97	181.22	633.19					
Crosscutting Engineering	75.00			30.81	105.81					
~~Raising~~ Camp & Boarding	152.75	25.00	243.88		421.63					
Shafts house										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching		2,473.00		160.79	2,633.79					
Sampling and assaying	1,595.17	1,944.66	354.80	729.42	4,624.05					
Roads and trails										
Test pits										
Other (specify)										
Totals	2,206.92	4,442.66	666.65	1,102.24	8,418.47					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by: D. H. Mullen
Entered by:
Approved by: D. H. Mullen, Supervising Engineer
Remarks:

MF-104
(April 1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 0 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

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Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Keenan Properties
(Name of Company)

By /s/ Peggy Keenan
(Signature of Authorized Official)

August 24, 1951
(Date)

(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Keenan Properties
Project No. DMA 654x, Contract Idm E-58
Total contract amount $100,000
Government participation percent 90%

Distribution of Expenditures for Month of July 16 - August 15, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	3,517.41	None	3,517.41	3,517.41	None	3,517.41
Equipment purchase [1]	41.53	"	41.53	41.53	"	41.53
Equipment rental [2]	2,145.59	"	2,145.59	2,145.59	"	2,145.59
Buildings						
Explosives						
Repair parts						
Other supplies	378.50	"	378.50	378.50	"	378.50
Power						
Transportation						
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work						
Other (specify)	191.33	"	191.33	191.33	"	191.33
Total	6,274.36	None	6,274.36	6,274.36	"	6,274.36
Totals previously reported	None		None	None	"	None
Totals to date	6,274.36		6,274.36	6,274.36	"	6,274.36

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by D. H. Mullen, Supervising Engineer
Amount approved for payment $5,646.92
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF 7/16 - 8/15/51

Name of operator: Keenan Properties
Project No. DMA: 654x, Contract Idm E-58
Total contract amount: $100,000
Government participation percent: 90%

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
~~xxxxxx~~ Truck Driver	1		$350/mo.	251.91
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager	1			154.00
Superintendent				
Engineers	1			3,000.00
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Camp & boarding house	1		$150/mo.	111.50
TOTAL				3,517.41

NOTE.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by L. E. Shaffer
Entered by
Approved by D. H. Mullen, Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF 7/16-8/15/51

Name of operator Keenan Properties
Project No. DMA 654x, Contract Idm E-58
Total contract amount $100,000
Government participation, percent 90%

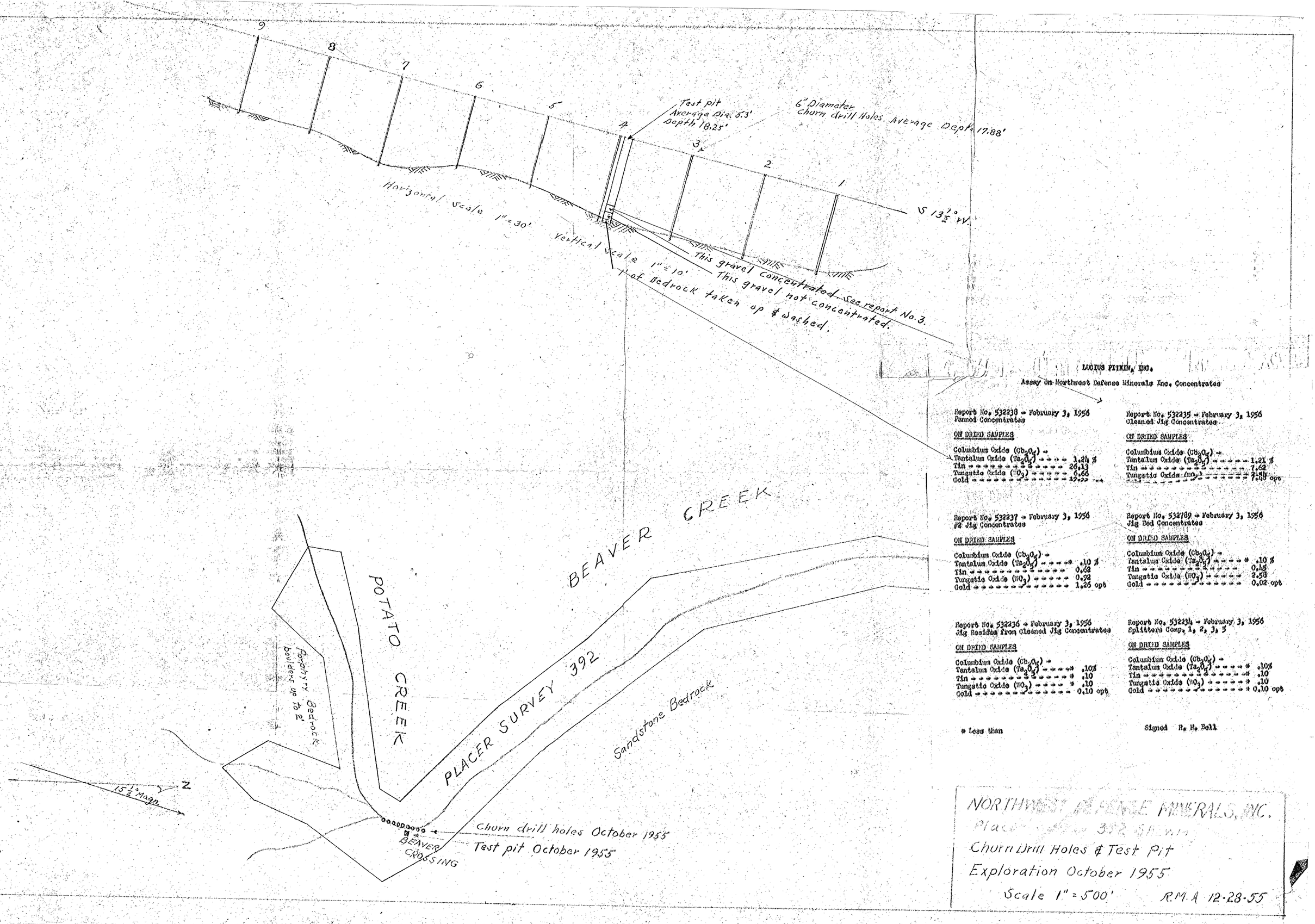
Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Supervision	154.00	480.00	38.01	81.33	753.34					
Engineering	3,000.00				3,000.00					
Camp & Boarding House	111.50	202.57	319.23	110.00	743.30					
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	158.86	702.09	21.26		882.21					
Sampling and assaying		33.41			33.41					
Roads and trails	93.05	769.05			862.10					
Test pits										
Other (specify)										
Totals	3,517.41	2,187.12	378.50	191.33	6,274.36					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by L. E. Shaffer
Entered by
Approved by D. H. Mullen, Supervising Engineer
Remarks



LUCIUS PITKIN, INC.

Assay on Northwest Defense Minerals Inc. Concentrates

Report No. 532238 - February 3, 1956
Panned Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	1.24 %
Tin - - - - - - - - - - - - - -	26.13
Tungstic Oxide (WO_3) - - - - - -	5.66
Gold - - - - - - - - - - - - - -	2.00 opt

Report No. 532235 - February 3, 1956
Cleaned Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - - -	1.21 %
Tin - - - - - - - - - - - - - -	7.62
Tungstic Oxide (WO_3) - - - - - - -	2.88
Gold - - - - - - - - - - - - - -	1.40 opt

Report No. 532237 - February 3, 1956
#2 Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	.10 %
Tin - - - - - - - - - - - - - -	0.62
Tungstic Oxide (WO_3) - - - - - -	0.92
Gold - - - - - - - - - - - - - -	1.26 opt

Report No. 532239 - February 3, 1956
Jig Bed Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - - *	.10 %
Tin - - - - - - - - - - - - - -	0.45
Tungstic Oxide (WO_3) - - - - - -	2.58
Gold - - - - - - - - - - - - - -	0.02 opt

Report No. 532236 - February 3, 1956
Jig Residue from Cleaned Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - - *	.10%
Tin - - - - - - - - - - - - - - *	.10
Tungstic Oxide (WO_3) - - - - - *	.10
Gold - - - - - - - - - - - - - -	0.10 opt

Report No. 532234 - February 3, 1956
Splitters Comp. 1, 2, 3, 5

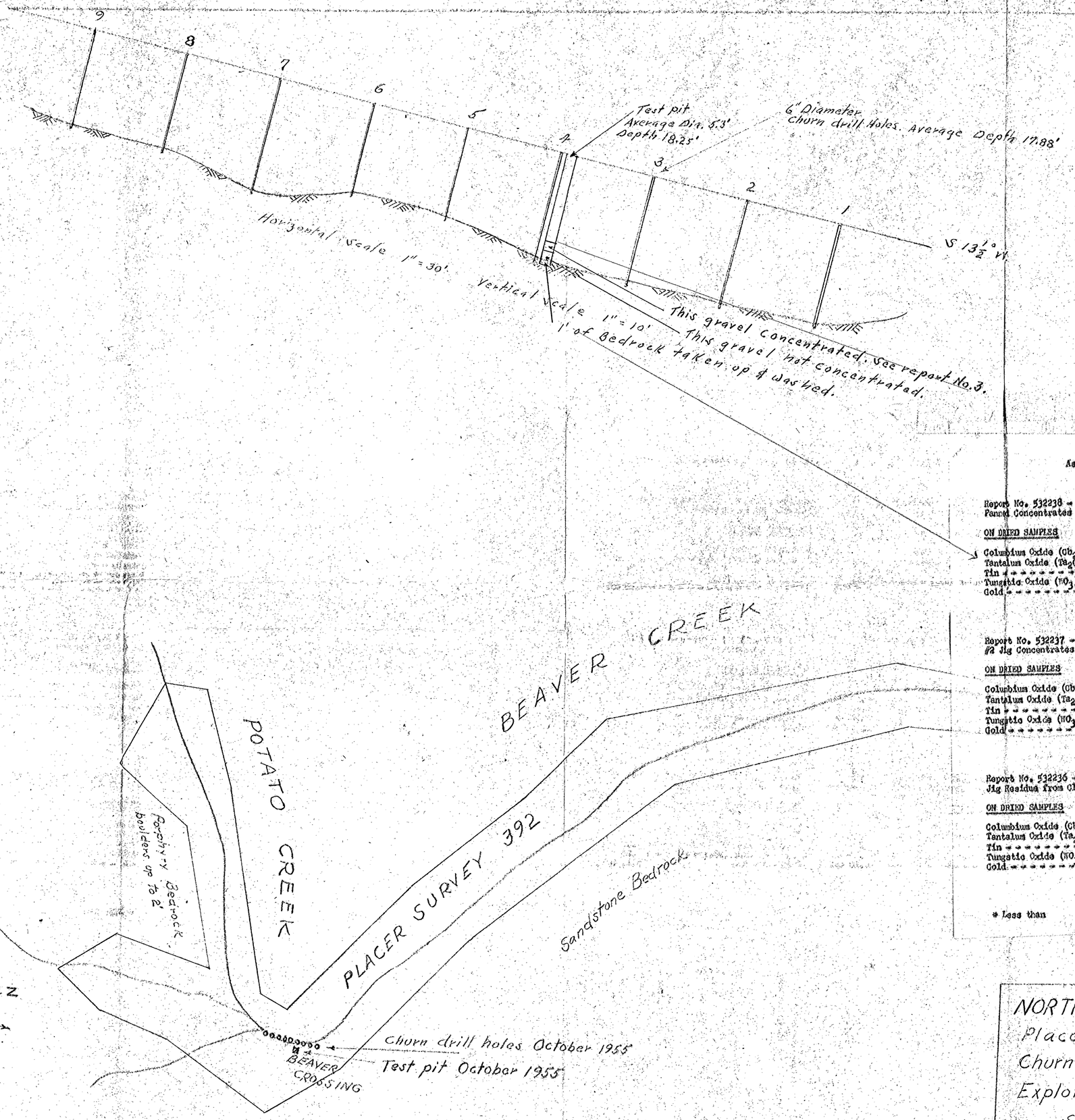
ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - - *	.10%
Tin - - - - - - - - - - - - - - *	.10
Tungstic Oxide (WO_3) - - - - - - *	.10
Gold - - - - - - - - - - - - - - *	0.10 opt

* Less than

Signed R. H. Bell

NORTHWEST DEFENSE MINERALS, INC.
Placer Survey 392 Sp. Min.
Churn Drill Holes & Test Pit
Exploration October 1955
Scale 1" = 50'00' R.M.A. 12-28-55



LUCIUS PITKIN, INC.

Assay on Northwest Defense Minerals Inc. Concentrates

Report No. 532238 - February 3, 1956
Panned Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	1.24 %
Tin - - - - - - - - - - - - - - -	26.13
Tungstic Oxide (WO_3) - - - - - -	6.66
Gold - - - - - - - - - - - - - - -	19.33 opt

Report No. 532235 - February 3, 1956
Cleaned Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - - -	1.21 %
Tin - - - - - - - - - - - - - - -	7.62
Tungstic Oxide (WO_3) - - - - - - -	2.54
Gold - - - - - - - - - - - - - - -	7.48 opt

Report No. 532237 - February 3, 1956
#2 Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	.10 %
Tin - - - - - - - - - - - - - - -	0.62
Tungstic Oxide (WO_3) - - - - - -	0.92
Gold - - - - - - - - - - - - - - -	1.26 opt

Report No. 532789 - February 3, 1956
Jig Bed Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	* .10 %
Tin - - - - - - - - - - - - - - -	0.44
Tungstic Oxide (WO_3) - - - - - -	2.58
Gold - - - - - - - - - - - - - - -	0.02 opt

Report No. 532236 - February 3, 1956
Jig Residue from Cleaned Jig Concentrates

ON DRIED SAMPLES

Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	* .10%
Tin - - - - - - - - - - - - - - -	* .10
Tungstic Oxide (WO_3) - - - - - -	* .10
Gold - - - - - - - - - - - - - - -	0.10 opt

Report No. 532234 - February 3, 1956
Splitters Comp. 1, 2, 3, 5

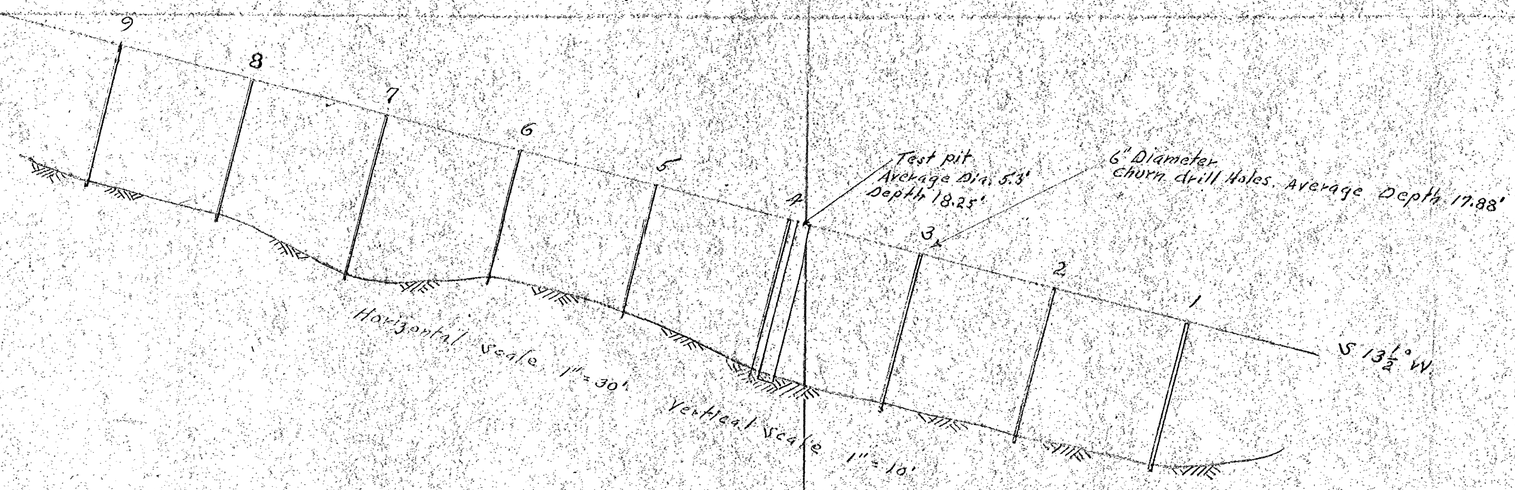
ON DRIED SAMPLES

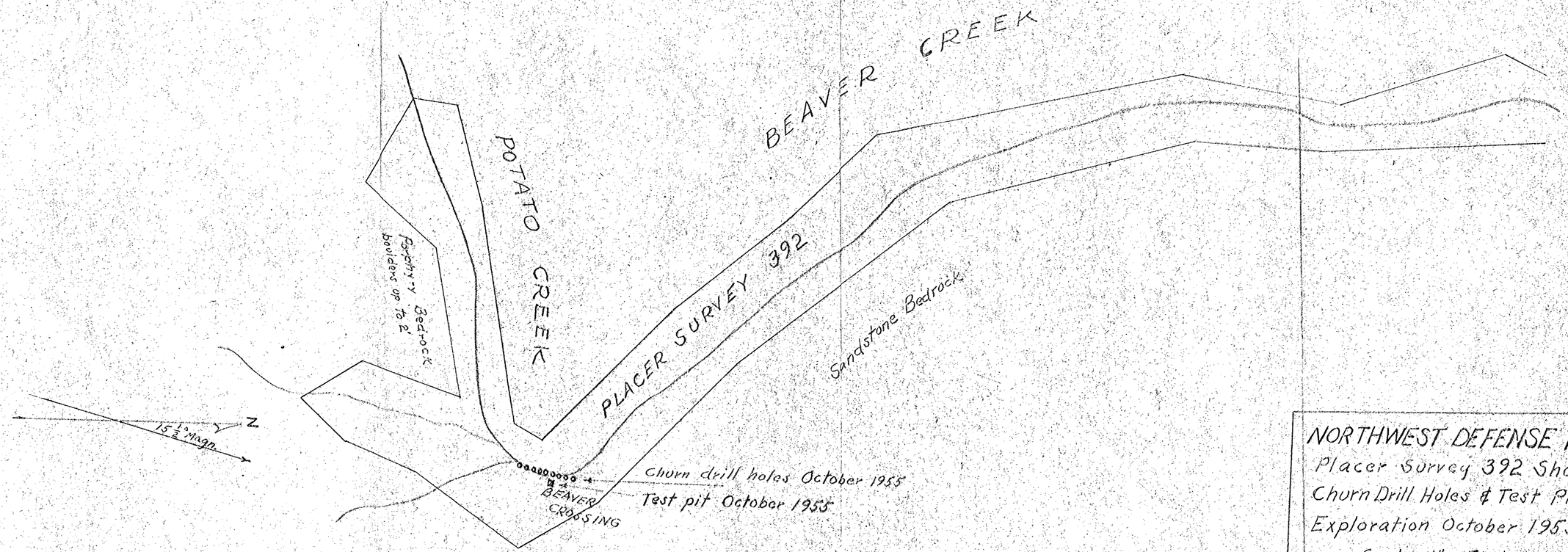
Columbium Oxide (Cb_2O_5) -	
Tantalum Oxide (Ta_2O_5) - - - - -	* .10%
Tin - - - - - - - - - - - - - - -	* .10
Tungstic Oxide (WO_3) - - - - - -	* .10
Gold - - - - - - - - - - - - - - -	* 0.10 opt

* Less than

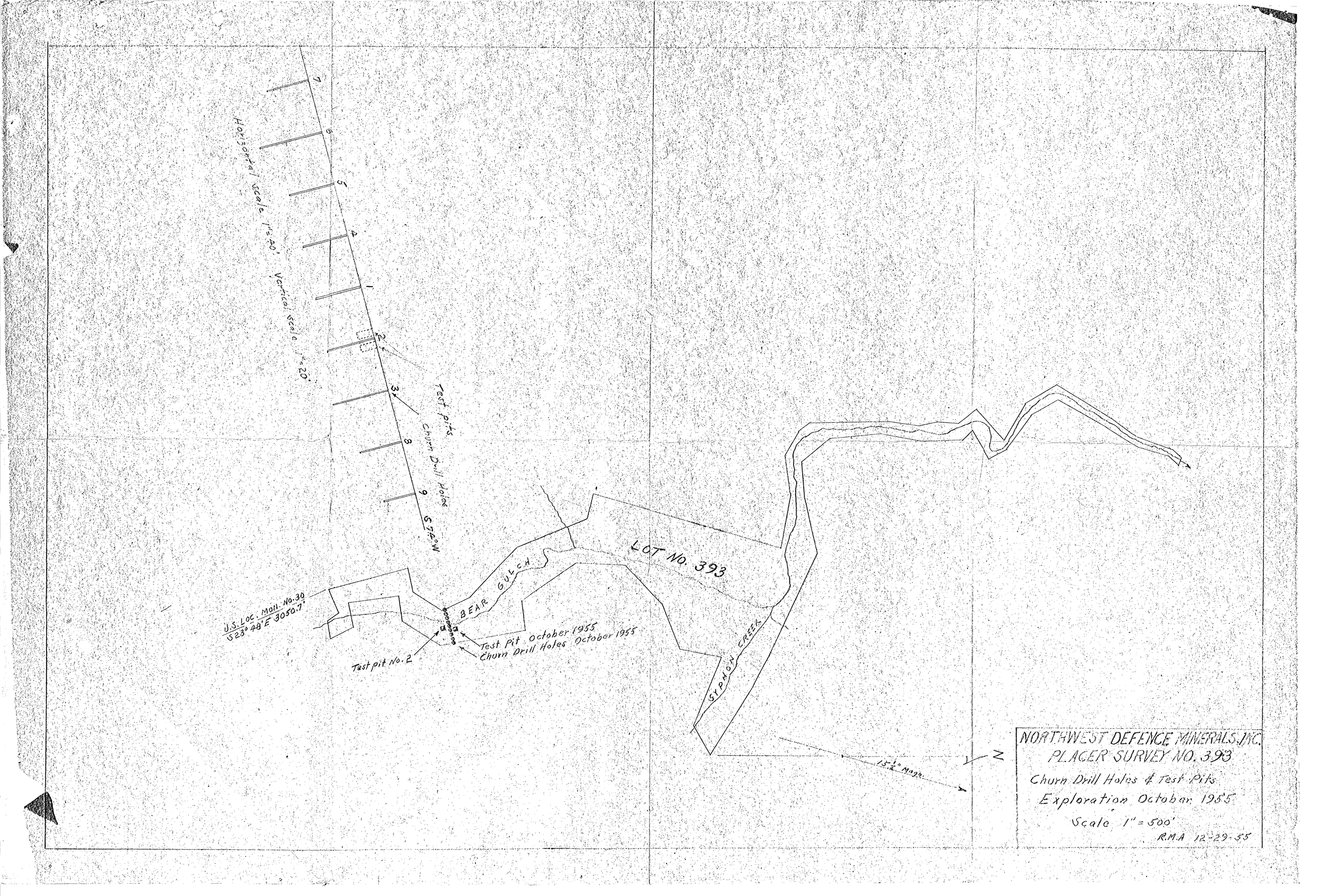
Signed H. H. Bell

NORTHWEST DEFENSE MINERALS, INC.
Placer Survey 392 Showing
Churn Drill Holes & Test Pit
Exploration October 1955
Scale 1" = 500' R.M.A 12-28-55

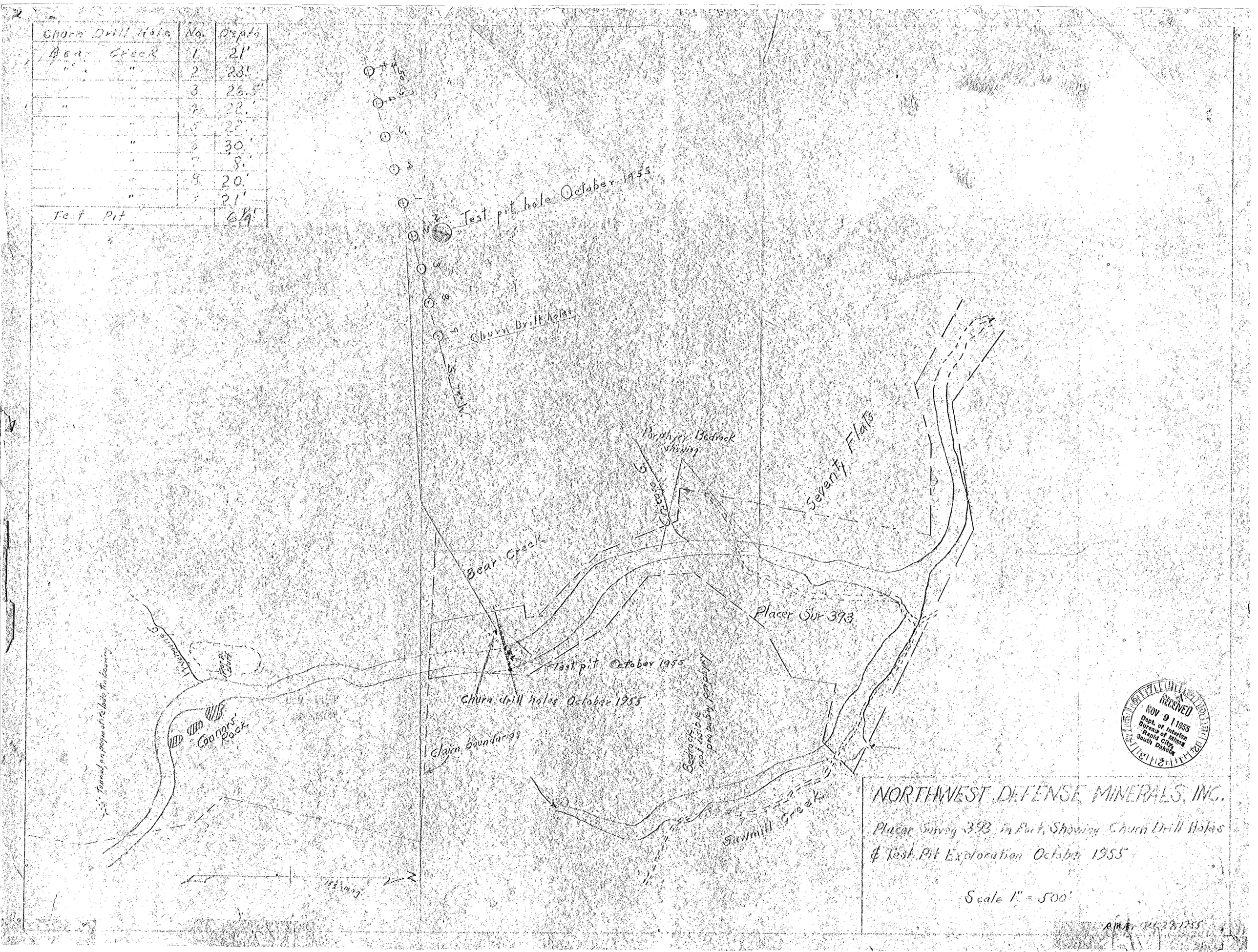




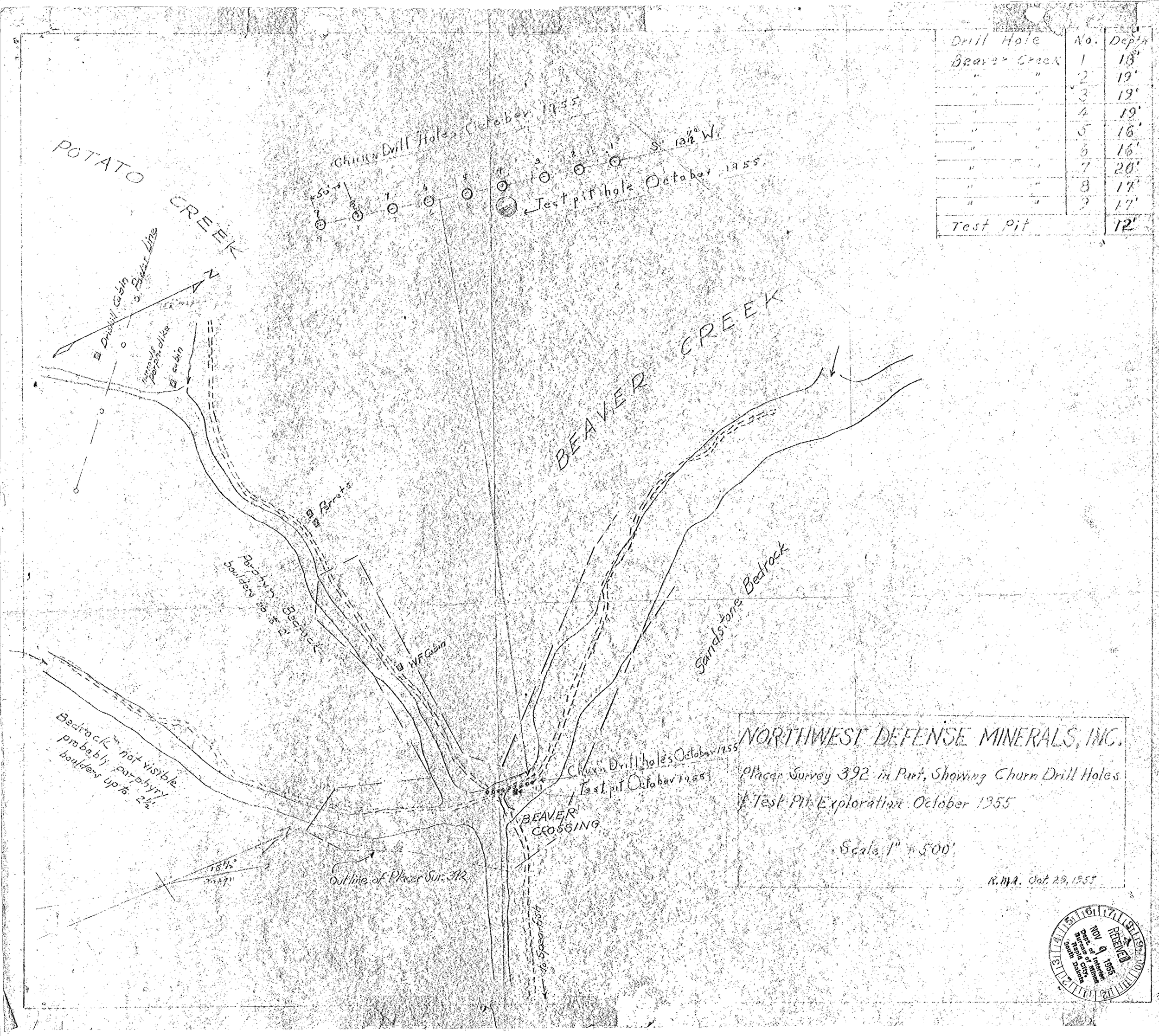
NORTHWEST DEFENSE MINERALS, INC.
Placer Survey 392 Showing
Churn Drill Holes & Test Pit
Exploration October 1955
Scale 1" = 500' R.M.A 12-28-55


7
6
5
4
1
2
3
8
9
S 74° W
Horizontal scale 1"=20'
Vertical scale 1"=20'
Test pits
Churn Drill Holes
LOT NO. 393
BEAR GULCH
U.S. Loc. Mon. No. 30
S 23° 48' E 3050.7'
Test pit No. 2
Test Pit October 1955
Churn Drill Holes October 1955
SYPHON CREEK
15½° Magn.
N
NORTHWEST DEFENCE MINERALS, INC.
PLACER SURVEY NO. 393
Churn Drill Holes & Test Pits
Exploration October 1955
Scale 1" = 500'
R.M.A 12-29-55

Churn Drill Hole	No.	Depth
Bear Creek	1	21'
" "	2	23'
"	3	26.5'
"	4	22'
"	5	25'
"	6	30'
"	7	8'
"	8	20'
"	9	21'
Test Pit		6½'



Drill Hole	No.	Depth
Beaver Creek	1	18'
" "	2	19'
" "	3	19'
" "	4	19'
" "	5	16'
" "	6	16'
" "	7	20'
" "	8	17'
" "	9	17'
Test Pit		12'



NORTHWEST DEFENSE MINERALS, INC.

Placer Survey 392 in Part, Showing Churn Drill Holes & Test Pit Exploration October 1955

Scale 1" = 500'

R.M.A. Oct. 29, 1955

RECEIVED NOV 9 1955 Dept. of Interior Bureau of Mines Rapid City, South Dakota

MEP-104
(April 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM

OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

RECEIVED
MAR 5 1952
BUREAU OF MINES
REGION V
MINING DIVISION

RECEIVED
JUL 9 - 1952

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Keenan Properties
(Name of Company)

Feb 28 1952
(Date)

By Leonard Wagenknecht
(Signature of Authorized Official)

Keenan Owner
(Title)

NOTE—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF 9/16-30 Completion of Phase 1

Name of operator Keenan Properties
Project No. DMA 6541, Contract No. 2-58
Total contract amount $100,000
Government participation, percent 90

Item	Costs					Progress				
	Wages[1] and salaries	Equipment[2]	Supplies	Other[3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
~~Sinking~~ Exploration	40.13		54.04	157.74	261.71					
~~Crosscutting~~ Engineering	1,000.00				1,000.00					
~~Raising~~ Bunding House	35.00		66.83		101.83					
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying	1,116.19	409.04	105.74	160.61	3,806.03					
Roads and trails										
Test pits		1,100.00			1,100.00					
Other (specify)										
Totals	2,320.62	1,700.04	260.61	1,072.35	6,270.12					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by D. Mullen
Entered by
Approved by D. Mullen
Remarks

MONTHLY SUMMARY COST STATEMENT

Name of operator Keenan Properties
Project No. DMA 654X, Contract Ida 2-58
Total contract amount $100,000
Government participation percent 90

Distribution of Expenditures for Month of 9/16 - 9/30 Completion of Phase 1

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	2,539.62	5,724.33	8,263.95		5,274.33	
Equipment purchase [1]		1,532.28	1,532.28		1,532.28	
Equipment rental [2]	1,700.04	5,097.50	6,797.54		5,097.50	
B ngs						
Explosives						
Repair parts	70.74		70.74			
Other supplies	197.67	1,045.15	1,242.82		1,045.15	
Power						
Transportation						
Withholding taxes F.I.C.A.	53.38					
Compensation insurance	11.00					
Other insurance Travel	760.23	1,293.57	3,065.92		1,293.57	
Contract work Assaying	700.00					
Other (specify) Supplies	197.69					
Services	50.09					
Total	6,270.42	14,692.83	20,963.25	4,307.17*	14,692.83	19,000.00*
Totals previously reported	14,692.83					
Totals to date	20,963.25					

FOR GOVERNMENT USE ONLY

Checked by D.P. Mullen
Entered by D.P. Mullen
Approved by D.P. Mullen Supervising Engineer
Amount approved for payment
Remarks

* Maximum allowable under Phase 1 of the contract.

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF 9/16-30 Completion of Phase 1

Name of operator Keenan Properties
Project No. DMA 654X, Contract Ida 2-58
Total contract amount $100,000
Government participation percent 90

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen Mg Man	1		$400/mo.	$ 400.00
Surface Partner	1		400/mo.	400.00
S lers Helpers	3		$1.35 /hr.	323.41
As yers Truck Driver	1		$350 /mo.	323.08
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager	1			48.13
Superintendent				
Engineers	1		Contract	1,000.00
Geologists				
Bookkeeper				
Foreman				
Clerks				
S graphers				
Other Cook	1		$150.00/mo.	35.00
Total	9			$2,539.62

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by D.P. Mullen
Entered by D.P. Mullen
Approved by D.P. Mullen
Remarks

16—64068-1

Statement of Activities September 15, 1951 to
September 22, 1951

DEFENSE MINERALS ADMINISTRATION PROJECT contract Idm 258
Docket 654X

Peggy Keenan
d/b/a/ Keenan Properties

During the period September 15 to September 22, 1951, the following work was carried on:

The gravels from the remaining Channels and Shafts were run through the test plant.

Mr. Walter Johnson requested two channels per test pit in Beaver Creek. The preparation work for channeling was so slow and costly it was decided to close Phase 1 due to previous heavy expenditures.

A composite sample of rejects was run September 22, 1951 when Phase 1 closed.

/s/ Peggy Keenan
d/b/a/ Keenan Properties